



TO: Mayor and Council

FROM: Bert Lumbreras, Assistant City Manager

DATE: March 6, 2014

SUBJECT: Grey Rock Golf and Tennis Club

Staff was in initial discussions with the property owner of the Grey Rock Golf and Tennis Club and anticipated putting information together for Council to consider. As you may know, there was recent media coverage regarding the City of Austin's interest in the acquisition of the Grey Rock Golf and Tennis Club. Since the first story was published, City staff have received numerous requests for information regarding the potential transaction of this property.

The following are some points of information staff has developed that will be with all current and future media requests:

- The City was approached by the owner of the 292 acre Grey Rock Golf and Tennis Club, located off highway 45 within Circle C Ranch, an area considered one of the fastest growing in the region.
- The property has an 18-hole golf course, eight tennis courts, three maintenance facilities and a clubhouse. The tract has potential for future trail connectivity and development as parks, green space and water protection in a park-deficient area of Austin.
- The City authorized an appraisal of the property and has negotiated a price pending Council approval. No details of the price or the appraisal have been shared with the media.
- The owner has indicated he will push forward with alternate development if the City does not purchase the property. If this area was developed 292 acres over the aquifer would be lost.
- The City has not opened or developed a golf course property since 1994 (Roy Kizer Golf Course) and has been actively looking for future golf course properties. The pending closure of Lions Golf Course removes a popular public course from Austin and construction of a new facility is estimated to be \$18 million.
- The City would issue certificates of obligation, and the debt would be paid with a combination of Golf revenue and new debt at no burden to the current tax rate.

Consideration of this item will be brought to Council at the March 20th Council meeting.

Should you have any questions, please let me know.

Cc: Marc A. Ott, City Manager
Sue Edwards, Assistant City Manager
Sara Hensley, Director, Parks and Recreation
Lauraine Rizer, Real Estate Services Officer