



Late Backup

MEMORANDUM

TO: Mayor and Council Members
FROM: *LR* Lauraine Rizer, Real Estate Officer
DATE: October 27, 2010
SUBJECT: October 28th Council Agenda Item 3, Acquisition of the Chipman Tract

On the October 28, 2010 Council Agenda, Item 3 requests Council to authorize the negotiation and execution of a purchase agreement for the fee simple acquisition of a 13.291 acre tract of land located on RR 2222 as part of the Water Treatment Plant 4, Jollyville and Forest Ridge Transmission Main projects. One component of that purchase agreement still to be negotiated is the lease back terms of a 5.09 acre part of the tract to the sellers, the Chipman family.

Below the line on the Request for Council Action (RCA), it currently indicates a specific rental rate amount of \$6,042 per month from the sellers to the City. The final rental rate is pending the completion of the fair market rent study and the conclusion of negotiations with the current owners. The rental range amount is estimated at \$5,000 to \$6,000.

If you have any questions regarding this clarification or need additional information, please contact me. Thank you.

Cc: Marc A. Ott, City Manager
Rudy Garza, Assistant City Manager
Greg Meszaros, Director, Austin Water Utility