



## MEMORANDUM

**TO:** Mayor and Council

**FROM:** Alex Gale, Interim Officer, Office of Real Estate Services

**DATE:** August 25, 2020

**SUBJECT:** Update on Ordinance No. 20200604-050 approving the vacation of the alley located at 809 East 9<sup>th</sup> Street, waiving section 14-11-75 of the City Code, and conveying the vacated alley to the Guadalupe Neighborhood Development Corporation ("GNDC").

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On June 4, 2020, the City Council passed Ordinance No. 20200604-050 approving the vacation of the alley located at 809 East 9<sup>th</sup> Street, waiving section 14-11-75 of the City Code, and conveying the vacated alley to the Guadalupe Neighborhood Development Corporation ("GNDC").

Within the Ordinance, the City Council set three conditions to the vacation:

1. GNDC must submit to the City an updated survey of the property. This condition has not yet been met.
2. GNDC must execute an agreement with Austin Water related to the construction and maintenance of a clean-out on the property. This condition has not yet been met.
3. GNDC must execute a lien agreement related to the value of the property. Section 272.001 of the Local Government Code allows the City to transfer the property for zero dollars; however, the City is required to effectuate and maintain a public purpose because the property is not transferred in exchanged for market value. A lien on the property will be the legal document to effectuate the public purpose, which is affordable housing. The Law Department is drafting the lien agreement, which is a standard document, and will submit a draft for GNDC's review by September 4<sup>th</sup>.

Once all the above conditions are met, ORES will transfer the property to GNDC via a deed without warranty.

Please feel free to contact me at (512) 974-1416 if you have any questions.

xc: Spencer Cronk, City Manager  
J. Rodney Gonzales, Assistant City Manager