

A G E N D A



Recommendation for Council Action (Real Estate)

Austin City Council	Item ID:	31061	Agenda Number	14.
Meeting Date:	February 27, 2014			
Department:	Office of Real Estate Services			
Subject				
Authorize the Urban Renewal Agency of the City of Austin to negotiate and execute all documents and instruments necessary or desirable to sell approximately 26,206 square feet of vacant land, locally known as 1322, 1324, 1326, 1328, 1330, 1332, 1334 and 1336 E. 12th Street, to BUTLER EQUITY HOLDINGS, LTD., in accordance with Local Government Code Section 374.017, in the amount of \$901,000, excluding any applicable closing costs, for the development of a five-story vertical mixed use building.				
Amount and Source of Funding				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:				
Prior Council Action:				
For More Information:	Betsy Spencer, Neighborhood Housing and Community Development, (512) 974-3182; Mashell Smith, Office of Real Estate Services, (512) 974-7149; Lauraine Rizer, Office of Real Estate Services, (512) 974-7078; Amanda Glasscock, Office of Real Estate Services, (512) 974-7173.			
Boards and Commission Action:	January 27, 2014 – Approved by the Urban Renewal Board on a vote 5-0-0 with Commissioner McKee absent.			
MBE / WBE:				
Related Items:				
Additional Backup Information				

This action will authorize the Urban Renewal Agency of the City of Austin to sell approximately 26,206 square feet of vacant lot to Butler Equity Holdings, Ltd. for the purchase price of \$901,000. A third party independent appraisal of the property determined the value of the property to be \$878,000. The Office of Real Estate Services launched a Request For Proposals on September 6, 2013, with a due date of October 11, 2013. The proposal providing the highest and best use was submitted by Butler Equity Holdings, Ltd. The proceeds from this sale minus any applicable closing costs or fees will be deposited with the City.

Butler Equity Holdings, Ltd. (Developer) shall develop a five-story vertical mixed use building. The development will include 12,900 square feet of rentable retail space which the Developer estimates is a sufficient amount of space to attract a viable grocery tenant. Development shall be compatible with both the Urban Renewal Plan and the Neighborhood Conservation and Combining District and its associated sub-district. The Developer is committed to both green building and Minority Business Enterprise/Women Business Enterprise participation in the design and construction of the project. The Developer shall reserve 10% of the multi-family units (proposed number of Multi-Family units is 48 units) for households that earn 60% or below the Median Family Income for the Austin-Round Rock Metropolitan Median Statistical Area. The Developer will guarantee that within two years of the date of the special warranty deed from the Urban Renewal Agency, the Developer will have obtained a building permit for the approved re-development plans and will guarantee that within three years of the date of the special warranty deed from the Urban Renewal Agency, the Developer will have received a certificate of occupancy on the building from the City. The Developer shall post bond with JP Morgan Chase in the amount of \$90,100 as guarantee of above performance measures.