



## Recommendation for Action

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**File #: 23-2317, Agenda Item #: 5.**

**7/20/2023**

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### **Posting Language**

Authorize negotiation and execution of all documents and instruments necessary or desirable for the Austin Housing Finance Corporation, or an affiliate, to acquire the approximately 5.5-acre tract of land at or near 6909 Ryan Drive, Austin, Texas, 78757 from the City of Austin, in an amount not to exceed \$3,000,000 including closing costs.

### **Lead Department**

Austin Housing Finance Corporation.

### **Fiscal Note**

Funding is available in the Fiscal Year 2022-2023 Capital Budget for the Austin Housing Finance Corporation.

### **Prior Council Action:**

April 7, 2022 - City Council authorized negotiation and execution of a legal services agreement with Steptoe & Johnson for legal services related to negotiation of a master development agreement and associated real estate documents for the property located at 6909 Ryan Drive, Austin, Texas 78757, in an amount not to exceed \$150,000.

August 26, 2021 - City Council authorized negotiation and execution of an exclusive negotiation agreement with 3423 Holdings, LLC for terms governing a master developer contract for the redevelopment of 6909 Ryan Drive, Austin, Texas 78757, known as the Ryan Drive Site.

November 6, 2018 - City of Austin voters approved the issuance of \$250,000,000 in General Obligation Bonds to be used to fund activities that increase the supply of affordable housing, \$100,000,000 of which was prioritized for the acquisition of real property.

November 1, 2018 - City Council approved a resolution directing the City Manager to issue a Request for Proposals (RFP) for redevelopment of City-owned property located at 6909 Ryan Drive, Austin, Texas 78757.

### **For More Information:**

Rosie Truelove, Treasurer, Austin Housing Finance Corporation, 512-974-3064; and Mandy DeMayo, Deputy Director, Housing Department, 512-974-1091.

### **Council Committee, Boards and Commission Action:**

October 13, 2022 - Austin Housing Finance Corporation (AHFC) approved the formation of AHFC Ryan Drive Non-Profit Corporation, an affiliate entity of AHFC.

### **Additional Backup Information:**

The property is currently managed and maintained by Austin Energy. This acquisition is a transaction between the City of Austin, as the seller, and AHFC, or its affiliate, as the purchaser, that will allow AHFC to acquire the property at a purchase price significantly below its fair market value to develop affordable housing.

Once the property is conveyed, AHFC will issue a solicitation for redevelopment of the Ryan Drive site that will reflect the community vision and Council direction previously expressed in the City's RFP for the property, while maximizing the number of affordable units to be delivered. The timing for issuance of the new solicitation by AHFC staff is anticipated to be this coming winter.