

TO: Mayor via City Secretary

REQUEST FOR COUNCIL ACTION

SUBJECT: An ordinance declaring Parcel SY16-082 surplus; and approving and authorizing a Purchase and Sale Agreement between the City of Houston, and Texas Bastrop Street, LLC for the sale of 5,051 square feet of land located at 2311 Texas Avenue, Houston, Harris County, Texas, for the Houston Health Department.	Page 1 of 1	Agenda Item
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FROM (Department or other point of origin): General Services Department	Origination Date:	Agenda Date:
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DIRECTOR'S SIGNATURE: Scott Minnix <i>9/8/16</i> <i>Scott Minnix</i>	Council District affected: 1
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For additional information contact: Jacquelyn L. Nisby <i>JLN</i> Phone: 832-393-8023	Date and identification of prior authorizing Council action:
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RECOMMENDATION: Approve an Ordinance (1) declaring **Parcel SY16-082** as surplus, (2) and authorizing a Purchase and Sale Agreement between the City of Houston, (Seller) and Texas Bastrop Street, LLC, (Purchaser) for the sale of 5,051 square feet of land located at 2311 Texas Avenue, Harris County, Houston, Texas, for a purchase price of \$313,162.00.

Amount and Source of Funding: Revenue	Finance Budget:
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SPECIFIC EXPLANATION: The Houston Health Department (HHD) has determined that the 5,051 square feet of land located at 2311 Texas Avenue, identified as **Parcel SY16-082**, is surplus to its needs. All City departments with land needs have been canvassed and it has been determined that this parcel is not needed for City purposes.

Parcel SY16-082 is located within the East Downtown TIRZ (TIRZ #15) and is served by the East Downtown Redevelopment Authority. Texas Bastrop Street, LLC is a real estate development company who owns the adjacent vacant property and desires to purchase this property to build a project that supports economic development within the Zone. The Purchase and Sale Agreement requires Texas Bastrop Street, LLC to develop and construct a project on the property and/or its adjoining property that supports the economic development of the East Downtown Zone. Texas Bastrop Street, LLC must substantially complete such project within ten years of the closing date. If the project is not substantially completed within the stated period, Texas Bastrop Street, LLC must give the City the first option to repurchase the property at the then current market rate.

This sale is allowed pursuant to Local Government Code 272.001(b)(6), which permits a political subdivision to sell property, without notice and bid requirements, for at least fair market value that is located in a reinvestment zone that the municipality desires to have developed in a manner set out in a TIRZ project plan adopted by the municipality for the zone. In September 2015, City Council approved the TIRZ #15 Project Plan that provides for the development of public infrastructure, improvements, parking facilities and assists with the revitalization of Old Chinatown from an abandoned and deteriorated neighborhood into a mixed-use district that includes retail, commercial, residential and entertainment development land uses.

Therefore, the General Services Department recommends that City Council declare **Parcel SY16-082** as surplus, and approve and authorize a Purchase and Sale Agreement with Texas Bastrop Street, LLC for **Parcel SY16-082** for a purchase price of \$313,162.00, which is the appraised fair market value. It is further recommended that City Council authorize the Mayor to execute and the City Secretary to attest a Special Warranty Deed conveying the property to Texas Bastrop Street, LLC.

The net sale proceeds will be directed to the General Fund.

SM:HB:JLN:RB:npb
xc: Marta Crinejo, Anna Russell, Jacquelyn L. Nisby, Andrew F. Icken and Claudette Manning

REQUIRED AUTHORIZATION CUIC ID# 25 RB 194

General Services Department: <i>H. Bautista</i> Humberto Bautista, P.E. Assistant Director	Mayor's Office of Economic Development: <i>A. Icken</i> Andrew F. Icken Chief Development Officer	Houston Health Department: <i>S. Williams</i> Stephen L. Williams, M.Ed., M.P.A. Director
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