

CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

District G

Item Creation Date: 10/4/2017

20TP9486\Abandonment and sale of Bettina, Kimberley, and Strey\Parcel SY14-114

Agenda Item#:

Background:

SUBJECT: Ordinance authorizing the abandonment and sale of: 1) Bettina Court, from Kimberley Lane north to Barryknoll Lane; 2) Strey Lane, from Kimberley Lane north to Barryknoll Lane; and 3) Kimberley Lane, from Strey Lane west to the proposed cul-de-sac; and 4) a 20-foot-wide alley, from Strey Lane east to its terminus, in exchange for conveyance to the City of right-of-way for and construction of a cul-de-sac at the proposed terminus of Kimberley Lane, all located in the Memorial City Subdivision Section 3, out of the Isaac Bunker Survey, A-121. **Parcels SY14-114A through SY14-114D, AY16-017A, and AY16-017B**

RECOMMENDATION: (Summary) It is recommended City Council approve an ordinance authorizing the abandonment and sale of: 1) Bettina Court, from Kimberley Lane north to Barryknoll Lane; 2) Strey Lane, from Kimberley Lane north to Barryknoll Lane; and 3) Kimberley Lane, from Strey Lane west to the proposed cul-de-sac; and 4) a 20-foot-wide alley, from Strey Lane east to its terminus, in exchange for a consideration of \$5,698,127.00 plus conveyance to the City of right-of-way for and construction of a cul-de-sac at the proposed terminus of Kimberley Lane, all located in the Memorial City Subdivision Section 3, out of the Isaac Bunker Survey, A-121. **Parcels SY14-114A through SY14-114D, AY16-017A, and AY16-017B**

SPECIFIC EXPLANATION:

Tracy Youngblood, BGE, Inc. on behalf of MNC Memorial City Apartments, L.P., (TRK, LLC [Jason Johnson, President], General Partner), requested the abandonment and sale of: 1) Bettina Court, from Kimberley Lane north to Barryknoll Lane; 2) Strey Lane, from Kimberley Lane north to Barryknoll Lane; and 3) Kimberley Lane, from Strey Lane west to the proposed cul-de-sac; and 4) a 20-foot-wide alley, from Strey Lane east to its terminus, all located in the Memorial City Subdivision Section 3, out of the Isaac Bunker Survey, A-121. The Joint Referral Committee reviewed and approved the request subject to the conveyance of right-of-way for and construction of a cul-de-sac at the proposed terminus of Kimberley Lane. The applicant plans to convert the requested streets to private streets to eliminate the amount of cut-through traffic.

Because the utility construction requirement associated with this transaction will not be completed until after the City Council passes the abandonment ordinance, MNC Memorial City Apartments, L.P., has provided a Letter of Credit (LOC) for \$174,964.05, an amount equal to the total estimated construction costs associated with the utility construction requirements set forth by the Office of City Engineer as part of the utilities within the subject streets to be converted to private service. The LOC will be for a specific time period which may be less than but not longer than twelve months from the effective date of the ordinance for this transaction. The Director of Houston Public Works or her designee may authorize one extension of the LOC which may be less than but not longer than twelve months, if the applicant has received approved permits and commenced construction of the work required within the initial term of the LOC. Should the conditions of the LOC not be satisfied upon expiration of the LOC, a recommendation will be submitted to the City Council to rescind the ordinance that abandoned the City's property interests. All funds paid by the applicants will be forfeited. Upon the applicant's satisfactory completion of the construction-related work as evidenced by written inspection clearance/approval by the Office of the City Engineer, Houston Public Works, at the applicants request the City will release the LOC.

MNC Memorial City Apartments, LP has complied with the transaction requirements, has accepted the City's offer, and has rendered payment in full.

The City will abandon and sell to MNC Memorial City Apartments, LP:

Parcel SY14-114A

53,103 square-foot right-of-way easement: \$2,102,879.00 (R)
Valued at \$40.00 PSF x 99%

Parcel SY14-114B

56,167 square-foot right-of-way easement: \$2,224,213.00 (R)
Valued at \$40.00 PSF x 99%

Parcel SY14-114C

23,862 square-foot right-of-way easement: \$944,935.00 (R)
Valued at \$40.00 PSF x 99%

Parcel SY14-114D

1,950 square-foot right-of-way easement: \$77,220.00
Valued at \$40.00 PSF x 99%

Depreciated cost of improvements \$456,830.00
(concrete curbing and pavement)

TOTAL ABANDONMENT AND SALE: \$5,806,077.00

In exchange, MNC Memorial City Apartments, L.P. will pay:

Cash \$5,698,127.00

Plus MNC Memorial City Apartments, L.P. will convey to the City:

Parcel AY16-017A

2,645 square-foot right-of-way easement: \$104,742.00
Valued at \$40.00 PSF x 99%

Parcel AY16-017B

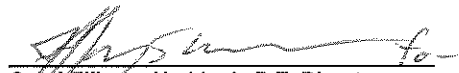
81 square-foot right-of-way easement: \$3,208.00 (R)
Valued at \$40.00 PSF x 99%

TOTAL CASH AND CONVEYANCE: \$5,806,077.00

Therefore, it is recommended City Council approve an Ordinance authorizing the abandonment and sale of: 1) Bettina Court, from Kimberley Lane north to Barryknoll Lane; 2) Strey Lane, from Kimberley Lane north to Barryknoll Lane; and 3) Kimberley Lane, from Strey Lane west to the proposed cul-de-sac; and 4) a 20-foot-wide alley, from Strey Lane east to its terminus, in exchange for conveyance to the City of right-of-way for and construction of a cul-de-sac at the proposed terminus of Kimberley Lane, all located in the Memorial City Subdivision Section 3, out of the Isaac Bunker Survey, A-121.

Contact Information:

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Carol Ellinger Haddock, P.E. Director
Houston Public Works

ATTACHMENTS:

<u>Description</u>	<u>Type</u>
<u>Council District Map</u>	Backup Material
<u>Parcel Map</u>	Backup Material