



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/22/2019

District K

Item Creation Date:

HPW20TP99/GASMER DRIVE STORMWATER DETENTION BASIN
PROJECT/LY19-025A, LY19-025B, LY19-025C

Agenda Item#: 18.

Summary:

ORDINANCE approving and authorizing a Purchase and Sale Agreement between **SHELL OIL COMPANY** ("Seller") and the City of Houston, Texas ("Purchaser") for 28.84 acres of land located at 5521 Gasmer Drive, Houston, Harris County, Texas; approving a Special Warranty Deed; approving a Lease Agreement between the City of Houston ("Lessor") and **SHELL OIL COMPANY** ("Lessee") - **DISTRICT K - CASTEX-TATUM**

Background:

SUBJECT: PROPERTY: Recommendation that an ordinance be passed approving the Purchase and Sale Agreement between Shell Oil Company, and the City of Houston, and authorizing payment of the purchase price for the acquisition of Parcels LY19-025A, LY19-025B and LY19-025C, located at 5521 Gasmer Drive for the GASMER DRIVE STORMWATER DETENTION BASIN PROJECT.

RECOMMENDATION: (Summary) An ordinance be passed approving the Purchase and Sale Agreement between Shell Oil Company, and the City of Houston, and authorizing payment of the purchase price for the acquisition of Parcels LY19-025A, LY19-025B and LY19-025C.

SPECIFIC EXPLANATION:

The GASMER DRIVE STORMWATER DETENTION BASIN PROJECT provides for the design, engineering and construction of a new detention basin in the Willow Water Hole drainage area. The project is required to address storm water drainage problems and alleviate flooding in the City.

The subject parcel contains 28.84 acres (1,256,092 square feet) of land which the City will acquire in fee. The City's offer was based on an appraisal by CBRE Valuation and Advisory Services. Shell Oil Company accepted the City's offer to purchase the property and are entering into a Purchase and Sale Agreement, the terms of which include the following:

Parcel LY19-025A (Fee):

22.485 acres (979,458 square feet) @ \$2.75 PSF..... \$ 2,693,510.00 (R)

Parcel LY19-025B (Fee):

6.32 acres (275,379 square feet) @ \$2.75 PSF..... \$ 757,292.00 (R)

Parcel LY19-025C (Fee):

0.0288 acre (1,255 square feet) @ \$2.75 PSF \$ 3,451.00 (R)

TOTAL CONSIDERATION..... \$ 3,454,253.00

Title Policy and Services.....\$ 39,000.00

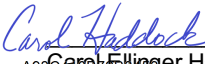
As part of the Purchase and Sale Agreement and at the closing, the City of Houston will lease back a 6.412 acre tract out of the 28.84 acre tract of land to Shell Oil Company terminating in December 2020. The following is the amount deducted from the offer.

Parcel LEY19-001 (Leaseback)

6.412 acres (279,307 square feet) @ \$3.15 PSF x 6%..... (\$ 52,800.00)

TOTAL AMOUNT.....\$ 3,440,453.00

It is recommended that authority be given to purchase Parcels LY19-025A, LY19-025B, and LY19-025C, owned by Shell Oil Company, a Delaware corporation. The parcels contain three tracts of land totaling 28.84 acres of land for the Gasmer Drive Stormwater Detention Basin, located at 5521 Gasmer Drive, being out of Restricted Reserve "A", Block 1, of Shell Oil, Gasmer Addition, and out of Tract F of the Settegast Partition, out of the George Allen Survey, Abstract 96.

DocuSigned by:

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

WBS No(s).
WBS M-430296-0015-2

Amount of Funding:

\$ 3,440,453.00
Street and Traffic Control and Storm Drainage DDSRF
Fund previously appropriated 10/16/2019, Ordinance 2019-0798

Contact Information:

Marjorie L. Cox
Assistant Director – Real Estate Services
Phone: (832) 365-3130

ATTACHMENTS:

Description	Type
Coversheet (revised)	Signed Cover sheet
Aerial Map (revised)	Backup Material
Location Map (revised)	Backup Material
Ordinance	Ordinance/Resolution/Motion