

Legislation Text

File #: 4490, **Version:** 1

CC MEETING: September 10, 2019

DATE: August 27, 2019

TO: Erin Rinehart, City Manager

FROM: Ravi Shah, Director of Development Services

Consider A **Resolution Authorizing The City Manager To Negotiate And Execute A Purchase And Sale Agreement With Kirby Rice, Ltd. For Approximately 19.1 Acres Of The Crosby Road Re-Development Area** For A Sales Price Of \$1,200,000.

BACKGROUND:

Starting with the acquisition of the La Sombra apartments in 2008, the City has acquired approximately 19.1 acres along Crosby Road. From the beginning of this effort, it has been the City's intention to sell the acquired properties for re-development after removing the blighted apartment buildings clustered on the property. The City owns multiple tracts on the north and south sides of Crosby Road.

The City released a request for proposal (RFP) on February 22, 2019 to a broad group of developers. Three responses were received. The City Council TOD Sub-Committee interviewed all respondents on July 23, 2019. The Sub-Committee unanimously recommended that Texas InTown Homes be invited to submit a best-and-final offer. Kirby Rice, Ltd. and Texas InTown Homes, LLC are both owned and controlled by Frank M.K. Liu and family. Kirby Rice, Ltd intends to purchase the property and then contract with Texas InTown Homes, LLC for the development of the community who will also build the residential homes.

Under the terms of the proposed Purchase and Sale Agreement, the property sale would be contingent upon developer's successful rezoning of the property for the proposed development that includes single-family and townhome development. The development group will be available at the September 10 City Council meeting to present their vision for the site.

FINANCIAL IMPLICATIONS:

Kirby Rice, Ltd. has made a purchase offer for the 19.1 acres of \$1,200,000. The City and Kirby Rice, Ltd. would equally share the closing costs and related expenses.

IMPACT ON COMMUNITY SUSTAINABILITY:

The City's goal for this site has consistently been to create a high quality development that emphasizes sustainability. It is the opinion of the TOD Sub-Committee that Kirby Rice, Ltd. and Texas InTown Home's proposed development will create an environment that is compatible with the City's goals and is appealing to the surrounding community.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends City Council approval of a resolution to authorize the City Manager to negotiate and execute a Purchase and Sale Agreement with Kirby Rice, Ltd. for approximately 19.1 acres of the Crosby Road Re-

Development Area for the price of \$1,200,000.