

Legislation Text

File #: 2327, **Version:** 1

CC MEETING: November 3, 2015

DATE: October 28, 2015

TO: Leonard Martin, City Manager

FROM: Peter J. Braster, Senior Development Manager

Consider A **Resolution Authorizing The City Manager To Negotiate And Execute A Development Agreement With Banc Of America Community Development Corporation For Property Located At 1504 North Jackson Street, 1050 Park Avenue, And 1120 Park Avenue.**

BACKGROUND:

In July 2013, the City Council approved the purchase of 1504 North Jackson Street. This tract was located south and east of City-owned land at 1620 North Denton Drive. The two lots were subsequently replatted into a single lot of approximately 20 acres (land area for the Green Trail was separated from the lots during the platting process). The City property is located in the Downtown (TC) Transit Center District, specifically in the Urban Fringe Sub-District.

During the City's efforts to redevelop the Crosby Road Initiative Area, Summit Park Apartments was identified as a possible redevelopment project. Over the last two years, Staff has been investigating the possibility of purchasing the apartment community. The owner is now in a position to dispose of the property. However, the market value of the apartments has become cost prohibitive. Seeking alternative solutions, Staff partnered with Banc Of America Community Development Corporation -- the City's Crosby Road Project advisors -- about structuring a transaction that could leverage the City's adjacent property and redevelop the apartments. Banc of America has approached the apartment community owner about jointly developing/redeveloping the combined 30.97 acre area. The apartment owner has indicated that he is very interested in the opportunity.

The development agreement will formalize the City's interest in pursuing the project with Banc of America. On September 9, 2015 the City Council's TOD Sub-Committee recommended entering into a development agreement with Banc of America for a period of seven months.

IMPACT ON COMMUNITY SUSTAINABILITY:

The current condition of the Summit Park Apartments is hindering property values of the surrounding neighborhoods. If successful, the development of the City property and the redevelopment of the apartments would result in a more sustainable environment in the area.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends Council approval of a resolution authorizing the City Manager to negotiate and enter into a development agreement with Banc of America Community Development Corporation.