



AGENDA MEMORANDUM

Future item for the City Council Meeting of April 14, 2015
Action item for the City Council Meeting of April 21, 2015

DATE: March 26, 2015

TO: Ronald L. Olson, City Manager

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**Approving the sale of .169 acres of City Land for use in
Bordeaux Place Unit 4**

CAPTION:

Ordinance approving the sale of a narrow strip of land -- 0.169 acres out of the City's 4.39 acre tract to MPM Development, LP (Developer) for the amount of \$7,600.00, for the use in constructing future street right-of-way necessary for Developer's proposed Bordeaux Place Unit 4 Subdivision development and associated plat; and authorizing the City Manager or designee to execute a Real Estate Sales Contract, Special Warranty Deed, and all closing documents necessary for the sale and conveyance.

PURPOSE:

MPM Development, LP (Developer) desires to plat and construct a new subdivision called Bordeaux Place Unit 4. A portion of the City's land is needed in order for the developer to construct a collector street that is shown and required by the Master Transportation Plan. The City has negotiated the sale of .169 acres of its land to the developer and requires that a Real Estate Sales Contract be executed by both parties in order to close the sale.

BACKGROUND AND FINDINGS:

The City acquired 4.39 acres of land in 2008 located southeast of Brighton Village Park. The land was purchased with Park Enrichment Funds for future use in combining the 4.39 acres with the existing Brighton Park and creating a regional park to serve various subdivisions in the immediate area. The 4.39 acres were not formally dedicated nor developed as City parkland and do not require the Voter Referendum clearance for sale. The shape of the City's land was configured so that the existing Brockhampton Street would curve eastward and connect with Airline Road. The east part of the 4.39 acre site contained a curve which produced a sharp, unusable area. The Master Transportation Plan was revised so that Brockhampton would not only connect with Airline, but would also swerve southward towards Lipps Boulevard. This proposed extension would also provide full access to the City's remaining land, which at the present time doesn't have adequate access. The proposed intersecting street configuration shown on the plat requires a portion of the City's 4.39 acres as shown on the attached Location Map.

MPM Development, LP is proposing to re-zone and re-plat the adjacent land they purchased in 2014 for the future residential subdivision called Bordeaux Place Unit 4. In order to construct the Brockhampton Street extension, they need a .169 acre portion of the City's land as shown on the attached Bordeaux plat. Their plat has been submitted to Development Services which is processing a re-zoning case and a future presentation to the Platting Commission for plat approval.

The City has obtained an appraisal of the land and has negotiated the sale of .169 acres for the amount of \$7,600, based on the land value of \$45,000 per acre. The City acquired the land in 2008 for \$36,000 per acre. As per the Texas Local Government Code, Section 272.001(b)(1), narrow strips of land or land because of its shape can be sold to abutting property owners. A Real Estate Sales contract has been executed by MPM Development and is pending approval by City Council. Upon Council approval, the contract will be escrowed and closed at the First American Title Company on Holly Road.

ALTERNATIVES:

1. Execute the Real Estate Sales Contract with MPM Development, LP. (recommended).
2. Do not execute the Real Estate Sales Contract and deny the sale, preventing the Brockhampton Street extension and construction. (not recommended).

CONFORMITY TO CITY POLICY:

The Real Estate Sales Contract is permitted by City Charter, Article X, General Powers and Provisions Section 1(a)(9) to sell, lease or otherwise convey city property, real or personal.

EMERGENCY / NON-EMERGENCY:

Not applicable

DEPARTMENTAL CLEARANCES:

Capital Programs and Park & Recreation Departments

FINANCIAL IMPACT:

Fiscal Year 2014-2015	Project to Date Expenditures	Current Year	Future Years	TOTALS
Budget	\$0.00	\$0.00	\$0.00	\$0.00
Encumbered / Expended Amount	\$0.00	\$0.00	\$0.00	\$0.00
This item	\$0.00	\$0.00	\$0.00	\$0.00
Future Anticipated Expenditures This Project	\$0.00	\$0.00	\$0.00	\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00

RECOMMENDATION:

City staff recommends passage of the Ordinance approving the Real Estate Sales Contract.

LIST OF SUPPORTING DOCUMENTS:

Location Map
Bordeaux Plat
Ordinance
Real Estate Sales Contract