



# City of Austin

## Recommendation for Action

File #: 25-0603, Agenda Item #: 41.

4/24/2025

### Posting Language

Authorize negotiation and execution of all documents and instruments necessary or desirable to sell and convey approximately 0.0892 acres (3,885 square feet) of land located at 2801 Castro Street, Austin, Texas, 78702, being the remainder of Lot 24, Block 5 of Chernosky Subdivision No, 12, a subdivision of record in Volume 4, Page 235 of the Plat Records of Travis County, Texas, to the Austin Housing Finance Corporation, for the purpose of contracting with a local nonprofit organization to construct and maintain a minimum of two units of housing for low-income individuals and families on the property, for an amount not to exceed \$3,000, including closing costs. Funding: \$3,000 is available in the Capital Budget of the Watershed Protection Department.

### Lead Department

Financial Services Department

### Fiscal Note

Funding is available in the Capital Budget of the Watershed Protection Department.

### For More Information:

Michael Gates, Financial Services Department, 512-974-5639; Jorge Morales, Watershed Protection, 512-974-3438.

### Additional Backup Information:

This disposition is a transaction between the City of Austin, as the seller, and Austin Housing Finance Corporation (AHFC), or its affiliate, as the purchaser, that will convey the property at a purchase price below its fair market value for affordable housing. Once the site is transferred, AHFC will contract with a local nonprofit organization to construct and maintain a minimum of two units of housing for low-income individuals and families.

The conveyance shall include following terms, so as to effectuate and maintain the public purpose:

- For not less than 40 years following the issuance of the certificate of occupancy, any rental units on the Property shall be reserved for rental by households earning no more than 50 percent of the Annual Median Family Income of the Austin-Round Rock Statistical Area, in accordance with the affordability requirements of the City's Rental Housing Development Assistance Program Guidelines.
- For not less than 99 years following the issuance of the certificate of occupancy, any owner-occupied units on the Property shall be reserved for ownership and occupancy by households earning no more than 80 percent of the Annual Median Family Income for the Austin-Round Rock Metropolitan Statistical Area, in accordance with the affordability requirements of the Ownership Housing Development Assistance Program Guidelines.
- If the nonprofit is unable to construct at least two units of affordable housing on the Property within three years of the date of the conveyance to AHFC, as such time may be extended by the City Manager in his reasonable discretion, the City shall have the right, but not the obligation, to reenter the Property.

The conveyance shall require that the following conditions be met in the development and construction of the

project as a condition of the transfer:

- The finished floor elevation of any building constructed on the property should be elevated at least two feet above the top of the Boggy Creek channel bank or the regulatory flood elevation, whichever is greater.
- No environmental variances, either administrative or land use commission, shall be granted for the proposed development.
- The conveyance shall reserve to the City a drainage easement on the Property in order to maintain the gabion wall/bank of the creek. This includes tiebacks located underground, which help provide structural stability for the wall. No portion of this easement should be vacated, and no proposed buildings shall encroach within the easement.
- No flatwork, such as driveways, shall be allowed within the drainage easement. In addition, any proposed flatwork within the Property may have to be demolished and rebuilt if the City needs to maintain the creek bank wall.
- Any proposed fence on the Property must be outside of the 100-year floodplain or 10 feet back from the top of the bank of the creek, whichever is farther from the top of the bank.
- Any development on the Property must comply with all applicable laws, including all City ordinances and the City's Land Development Code.