



# City of Austin

## Recommendation for Action

**File #:** 25-2064, **Agenda Item #:** 17.

10/9/2025

### **Posting Language**

Authorize negotiation and execution of all documents and instruments necessary or desirable to acquire in fee simple approximately 1.39 acres (60,548 square feet) including an approximately 12,313 square foot building situated in Lot B, Block 1, Miracle Hill III, a subdivision in Travis County, Texas, according to the map or plat thereof, recorded in Volume 93, Page 252 of the Plat Records of Travis County generally located at 2401 South Interstate 35, Austin, Texas 78741 from Buy Rides Austin, LLC, a Texas limited liability company for a total amount not to exceed \$4,375,000 including closing costs. Funding: \$4,375,000 is available in the Capital Budget of Austin Housing.

### **Lead Department**

Austin Financial Services.

### **Fiscal Note**

Funding is available in the Capital Budget of Austin Housing.

### **For More Information:**

Brandon Williamson, Austin Financial Services, 512-974-5666; Michael Gates, Austin Financial Services, 512-974-5639; Kimberly Olivares, Austin Financial Services, 512-974-2924, Mandy DeMayo, Austin Housing, 512-974-1091; David Gray, Austin Homeless Strategies and Operations, 512-974-7836.

### **Additional Backup Information:**

This proposed acquisition is for 2401 South Interstate 35, a 1.39-acre tract with an approximately 12,313 square foot building. The proposed purchase includes space currently leased by a private entity, whose lease is set to expire March 31, 2026. Any revenue from the lease will be used to offset the City's operating and maintenance costs for the acquired property.

This property is intended to serve as the first City-owned housing navigation center to assist in identifying opportunities to sustain or secure stable housing for at-risk households and individuals experiencing homelessness. Navigators are an essential element of the effort to work upstream of homelessness by connecting at-risk households to focused and cost-effective prevention services. When homelessness is not averted, unhoused residents require reliable access to appropriate interventions, resources, and professional support in a controlled environment. Site selection is informed by several years of engagement with various stakeholders. Austin Homeless Strategies and Operations has considered numerous factors that make this property suitable, including, distance from sensitive facilities and amenities, transit connectivity, adequacy of space for a predominantly indoor service delivery model, ease of site access control, worker safety, proximity to communities with disproportionate housing vulnerability, proximity to other homelessness response system assets including shelter, and opportunities to minimize impacts to neighborhood climate.

Should negotiation and execution of the transaction be authorized, Austin Homeless Strategies and Operations anticipates returning to Council with additional Recommendation(s) for Action related to enhancements of the built environment that reflect public priorities identified during a robust public engagement process, and any subsequent authorizations necessary for social service deployments at the future housing navigation center.

An independent, third-party appraisal was procured to establish the fair-market valuation of the proposed acquisition. The appraisal supports the purchase price of \$4,350,000. The amount of the purchase price plus closing costs is not to exceed \$4,375,000.