

# City of Austin



## Recommendation for Action

**File #:** 25-0997, **Agenda Item #:** 3.

6/5/2025

### Posting Language

Authorize a contract for construction services for the Doris-Hathaway Affordable Residential Development located at 8404 Hathaway Drive, Austin, Texas, 78757, with Constructinople, LLC, in the amount of \$747,554, plus a \$74,755.40 contingency, for a total contract amount not to exceed 822,309.40. Funding: \$822,309.40 is available in the Fiscal Year 2024-2025 Operating Budget of the Austin Housing Finance Corporation through Housing Assistance Funds (HAF).

### Lead Department

Austin Housing Finance Corporation

### Fiscal Note

\$822,309.40 is available in the Fiscal Year 2024-2025 Operating Budget of the Austin Housing Finance Corporation through Housing Assistance Funds (HAF).

### Purchasing Language:

The Austin Housing Finance Corporation issued a Competitive Sealed Proposal RFP-D.HathawayTractDev for these services. The solicitation was issued on March 18, 2025, and closed on April 8, 2025. Of the 2 proposals received, the recommended contractor submitted the best-evaluated responsive proposal or offer. The Doris Hathaway Tract Infrastructure RFP materials, including applications, can be found here: <https://www.austintexas.gov/page/request-proposals-and-qualifications> (listed as 2200 Doris Drive).

### Prior Council Action:

**October 13, 2016** - Resolution No. 20161013-005 was adopted by Austin City Council directing the City Manager to explore the economic and legal feasibility of a joint affordable housing project that could include the City of Austin and the Austin Independent School District.

**November 3, 2016** - Resolution No. 20161103-045 was adopted Austin City Council directing the City Manager to work with public entities, such as the Austin Independent School District, to identify opportunities for creating affordable housing.

**December 8, 2016** - Resolution No. 20161208-007 was adopted by Austin City Council to authorize submission, negotiation, and execution of all documents and instruments necessary or desirable for the acquisition of real property, offered through an invitation for bid by AUSTIN INDEPENDENT SCHOOL DISTRICT, located at (1) the northwest corner of Doris Drive and Hathaway Drive [District 7], (2) 3908 Avenue B [District 9], (3) the northeast corner of Jackie Robinson Street and Tannehill Lane [District 1], (4) the southeast portion of 411 East Alpine Road [District 3], (5) the southwest corner of US Highway 183 and Loyola Lane [District 1], (6) 4806 Trail West Drive [District 8], (7) 110 East 9th Street [District 9], (8) 1111 West 6th Street [District 9], (9) the east portion of East 51st Street [District 1], and (10) 4900 Gonzales Street [District 3] for an amount not to exceed \$2,880,000 and other consideration, including creation of permanent affordable housing, enhanced greenspace, protecting natural drainage features and protection of a spring.

**April 26, 2018** - Austin City Council authorized the negotiation and execution of all documents and instruments

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necessary or desirable to transfer in fee simple real property located at (1) the northwest corner of Doris Drive and Hathaway Drive and (2) the northeast corner of Jackie Robinson Street and Tannehill Lane to Austin Housing Finance Corporation. District(s) Affected: District 1, District 7.

**April 26, 2018** - Austin Housing Finance Corporation authorized the negotiation and execution of all documents and instruments necessary or desirable to transfer in fee simple real property located at (1) the northwest corner of Doris Drive and Hathaway Drive [District 7] and (2) the northeast corner of Jackie Robinson Street and Tannehill Lane [District 1] from the City of Austin.

**August 29, 2024** - Austin Housing Finance Corporation authorized negotiation and execution of a ground lease, and all other documents necessary or desirable, with AHFC Doris Hathaway Non-Profit Corporation for the development, construction, finance, management, and sale of approximately 25 affordable, ownership units as part of a new Community Land Trust development located at or near 2200 Doris Drive, 2202 Doris Drive, 2204 Doris Drive, 2206 Doris Drive, 8414 Hathaway Drive, 8416 Hathaway Drive, and 8418 Hathaway Drive, Austin, Texas 78757, for an amount not to exceed \$10,000 per year.

**August 29, 2024** - Resolution No. 20240829-AHFC003 was adopted by Austin Housing Finance Corporation authorizing the formation of AHFC Doris Hathaway Non-Profit Corporation, a Texas nonprofit corporation and instrumentality of the Austin Housing Finance Corporation; approving its certificate of formation and bylaws; appointing its board of directors and president; authorizing a ground lease; and authorizing AHFC Doris Hathaway Non-Profit Corporation to construct, finance, manage, and sell approximately 25 affordable, ownership units as part of a new Community Land Trust development located at or near 2200 Doris Drive, 2202 Doris Drive, 2204 Doris Drive, 2206 Doris Drive, 8414 Hathaway Drive, 8416 Hathaway Drive, and 8418 Hathaway Drive, Austin, Texas 78757.

Austin Housing Finance Corporation (AHFC) purchased the Doris-Hathaway tract from the Austin Independent School District in April 2018.

**For More Information:**

Mandy DeMayo, Treasurer, Austin Housing Finance Corporation, 512-974-1091.

**Additional Backup Information:**

The 1.23-acre Doris-Hathaway tract is directly across the street from the Burnet Middle School and has never been developed. AHFC has designed a 25-unit affordable residential development to be offered as a homeownership opportunity for eligible households. The development is composed of seven residential lots with four lots having 4 units, one lot with 3 units, and one lot with 1 unit. The unit types will range from 3-bed room to 1-bed room.

The project scope is for subdivision improvements only. Thus, construction will include the installation of concrete and asphalt pavement, wastewater main and services, water services, storm sewer, and associated traffic and erosion controls. Another solicitation will be issued for the vertical construction of the development in the near future.

The City of Austin (City) assembled a panel comprised of City staff to review and score the applications. The panel reviewed applicant qualifications, financial capacity, and sample work following the scoring criteria outlined in the RFP. The City Executive Team recommends that AHFC award the contract for subdivision improvements to Constructinople, LLC. The Doris Hathaway Tract Infrastructure RFP materials, including applications, can be found here: <https://www.austintexas.gov/page/request-proposals-and-qualifications> (listed as 2200 Doris Drive).

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AHFC Doris Hathaway Non-Profit Corporation (Nonprofit Corporation). AHFC owns the land upon which the Development will be constructed and will initially ground lease it to the Nonprofit Corporation. The Nonprofit Corporation will develop approximately 25 affordable, ownership units as part of a new Community Land Trust. The ownership units will be governed by a condominium association. The ground lease and condominium regime documents will contain median family income and community land trust provisions to ensure that the ownership units remain affordable.

Due to the potential for encountering unknown subsurface or other unanticipated conditions during construction, a 10% contingency is included in the recommended contract amount to allow for the expeditious processing of any change orders. By authorizing the additional contingency funding, the Board is authorizing any change orders within the contingency amount.