

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Mayor and Council
AGENDA DATE: January 6, 2015
CONTACT PERSON/PHONE: Bertha A. Ontiveros (212-0033)
DISTRICT(S) AFFECTED: District 8

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? **OR AUTHORIZE** the City Manager to do what?
Be descriptive of what we want Council to approve. Include \$ amount if applicable.

AUTHORIZING THE CITY MANAGER TO SIGN A CONTRACT OF SALE WITH THE RESCUE MISSION OF EL PASO INC. FOR: 1) THE SALE OF THE REAL PROPERTY COMMONLY KNOWN AS 130 N. COTTON STREET, DESCRIBED AS ALL OF LOTS 1 THROUGH 18 (INCLUSIVE) AND A PORTION OF LOTS 19 THROUGH 21 (INCLUSIVE), ALL OF LOTS 56 THROUGH 71 (INCLUSIVE) AND A PORTION OF LOTS 52 THROUGH 55 (INCLUSIVE), BLOCK 71, COTTON ADDITION, AN ADDITION TO THE CITY OF EL PASO; AND 2) THE ACQUISITION OF THE REAL PROPERTY COMMONLY KNOWN AS 900 WYOMING AVENUE, DESCRIBED AS ALL OF LOTS 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 19, 20 AND THE WESTERLY 14 FEET OF LOT 17, AND THE EASTERLY 18 FEET OF LOT 18, TOGETHER WITH THE WESTERLY 170 FEET OF A 20-FOOT WIDE EASTERLY AND WESTERLY ALLEY WHICH WAS CLOSED BY INSTRUMENT DATED NOVEMBER 1, 1928, AND ALL OF LOTS 1 AND 2, SAVE AND EXCEPT THE NORTHERLY 48 FEET, 6 INCHES THEREOF, ALL IN BLOCK 240, CAMPBELL ADDITION. CONSIDERATION FOR THE CITY PROPERTY WILL BE THE SIMULTANEOUS CONVEYANCE OF THE WYOMING PROPERTY TO THE CITY.

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

The City owns certain property located at 130 N. Cotton and has negotiated with the Rescue Mission to convey the Cotton Property to the Rescue Mission in exchange for the simultaneous conveyance of property owned by the Rescue Mission at 900 Wyoming to the City.

The El Paso Water Utilities – Public Service Board (“PSB”) has occupied the Cotton Property since 1985. On November 12, 2014, the PSB found that the Cotton Property is inexpedient to the water utility system and can be conveyed to the City’s land inventory for conveyance to the Rescue Mission, provided that the PSB is not required to relocate from the land until 12 months after the City makes a final determination to acquire the land from the PSB.

In accordance with Texas Local Government Code Section 272.001(g), the City may convey the Cotton Property for low-income housing without complying with the notice and bidding requirements of Texas Local Government Code Section 272.001(a). The Rescue Mission will provide temporary shelter, interim and transitional housing, food and other related services to homeless persons and families (including operating businesses substantially to their charitable purpose, including

providing related services such as job training and education) in order to alleviate and eliminate the cause of homelessness.

City staff has recommended that, subject to an ordinance authorizing the conveyance prior to closing, the City convey the Cotton Property to the Rescue Mission for the development, renovation, construction, operation, management and use of the Cotton Property to provide temporary and transitional housing to low-income persons and families and related services.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

N/A

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

*******REQUIRED AUTHORIZATION*******

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD: _____

(Example: if RCA is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____ **DATE:** _____

RESOLUTION

AUTHORIZING THE CITY MANAGER TO SIGN A CONTRACT OF SALE WITH THE RESCUE MISSION OF EL PASO INC. FOR: 1) THE SALE OF THE REAL PROPERTY COMMONLY KNOWN AS 130 N. COTTON STREET, DESCRIBED AS ALL OF LOTS 1 THROUGH 18 (INCLUSIVE) AND A PORTION OF LOTS 19 THROUGH 21 (INCLUSIVE), ALL OF LOTS 56 THROUGH 71 (INCLUSIVE) AND A PORTION OF LOTS 52 THROUGH 55 (INCLUSIVE), BLOCK 71, COTTON ADDITION, AN ADDITION TO THE CITY OF EL PASO; AND 2) THE ACQUISITION OF THE REAL PROPERTY COMMONLY KNOWN AS 900 WYOMING AVENUE, DESCRIBED AS ALL OF LOTS 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 19, 20 AND THE WESTERLY 14 FEET OF LOT 17, AND THE EASTERLY 18 FEET OF LOT 18, TOGETHER WITH THE WESTERLY 170 FEET OF A 20-FOOT WIDE EASTERLY AND WESTERLY ALLEY WHICH WAS CLOSED BY INSTRUMENT DATED NOVEMBER 1, 1928, AND ALL OF LOTS 1 AND 2, SAVE AND EXCEPT THE NORTHERLY 48 FEET, 6 INCHES THEREOF, ALL IN BLOCK 240, CAMPBELL ADDITION. CONSIDERATION FOR THE CITY PROPERTY WILL BE THE SIMULTANEOUS CONVEYANCE OF THE WYOMING PROPERTY TO THE CITY.

WHEREAS, City is the owner of a parcel of real property and all improvements located thereon at 130 Cotton Street in the City of El Paso, Texas, as more particularly described as all of all of Lots 1 through 18 (inclusive) and a portion of Lots 19 through 21 (inclusive), Lots 56 through 71 (inclusive) and a portion of Lots 52 through 55 (inclusive), Block 71, Cotton Addition to the City of El Paso (the “Cotton Property”);

WHEREAS, Rescue Mission of El Paso, a Texas nonprofit corporation, is the owner of a parcel of real property and all improvements located thereon at 900 Wyoming Street, El Paso, Texas, as more particularly described as all of Lots 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 19, 20 and the westerly 14 feet of Lot 17, and the easterly 18 feet of Lot 18, together with the westerly 170 feet of a 20-foot wide easterly and westerly alley which was closed by Instrument dated November 1, 1928, and filed for record in Volume 498, Page 171, Real Property Records of El Paso County, Texas, and all of Lots 1 and 2, save and except the northerly 48 feet, 6 inches thereof, all in Block 240, Campbell Addition, El Paso County, Texas (the “Wyoming Property”).

WHEREAS, the El Paso Water Utilities – Public Service Board (“PSB”) has occupied the Cotton Property since 1985, and on November 12, 2014, the PSB found that the Cotton Property is inexpedient to the water utility system and can be conveyed to the City’s land inventory for conveyance to the Rescue Mission, provided however, that the PSB shall not be required to relocate from the land until twelve months after the City Council makes a final determination to acquire the land (the “PSB Resolution”);

WHEREAS, City staff has recommended that, subject to the Council’s adoption of an ordinance authorizing the conveyance prior to closing, the City convey the Cotton Property to the Rescue Mission for low-income housing pursuant to Local Government Code Section 272.001(g), for the development, renovation, construction, operation, management and use of the Cotton Property to provide temporary and transitional housing to low-income persons and

families and related services to alleviate the effect and assist in the elimination of hunger, displacement and homelessness.

WHEREAS, the City Council has determined that the proposed use of the Cotton Property will serve a public purpose since the Rescue Mission will provide temporary shelter, interim and transitional housing, food and other related services to homeless persons and families (including, but not limited to, the operation of any related businesses regularly carried on and substantially related to furthering the charitable tax-exempt purpose of the Rescue Mission through its education, job training and other charitable activities) in order to alleviate and eliminate the cause of homelessness for the benefit of the homeless residents and all citizens within the City of El Paso.

WHEREAS, the City will convey the Cotton Property to the Rescue Mission in exchange and in consideration for the Rescue Mission's simultaneous conveyance of the Wyoming Property to the City.

WHEREAS, the Rescue Mission desires to acquire the Cotton Property from City for the stated public purposes upon the terms and conditions set forth herein and the City desires to acquire the Wyoming Property from the Rescue Mission for its public purposes.

WHEREAS, pursuant to Texas Local Government Code Section 272.001(g), the City may convey the Cotton Property without complying with the notice and bidding requirements of Texas Local Government Code Section 272.001(a).

WHEREAS, City staff recommends that the City enter into the Contract of Sale with the Rescue Mission for the sale of the Cotton Property and the Contract of Sale for the acquisition of the Wyoming Property.

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

- 1) That the City Manager is hereby authorized to sign, on behalf of the City of El Paso:
 - a. a Contract of Sale with the Rescue Mission of El Paso, Inc., for the sale of the real property commonly known as 130 N. Cotton Street, more particularly described as all of Lots 1 through 18 (inclusive) and a portion of Lots 19 through 21 (inclusive), all of Lots 56 through 71 (inclusive) and a portion of Lots 52 through 55 (inclusive), Block 71, Cotton Addition, an Addition to the City of El Paso, for low-income housing pursuant to Local Government Code Section 272.001(g), for the Rescue Mission's development, renovation, construction, operation, management and use of the Cotton Property to provide temporary and transitional housing to low-income persons and families and related services to alleviate the effect and assist in the elimination of hunger, displacement and homelessness in exchange and in consideration of the simultaneous conveyance of a property owned by the Rescue Mission at 900 Wyoming Street; and

- b. a Contract of Sale with the Rescue Mission of El Paso, Inc., for the acquisition of the real property commonly known as 900 Wyoming Avenue, described as all of Lots 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 19, 20 and the westerly 14 feet of Lot 17, and the easterly 18 feet of lot 18, together with the westerly 170 feet of a 20-foot wide easterly and westerly alley which was closed by Instrument dated November 1, 1928 and filed for record in Volume 498, Page 171, Real Property Records of El Paso County, Texas, and all of Lots 1 and 2, save and except the northerly 48 feet, 6 inches thereof, all in Block 240, Campbell Addition, an Addition to the City of El Paso, El Paso County, Texas.
- 2) That the City Council's approval of the contracts for the property exchange is subject to following contract terms and conditions: (a) the two properties are deemed to have similar value; (b) each party pay their share of closing costs; (c) City will remediate the property at 130 N. Cotton at the City's cost not to exceed \$75,000; and (d) the vested development rights for the project at 900 Wyoming be transferred to allow the Rescue Mission to develop the same project at 130 N. Cotton.
- 3) That the contracts be approved and signed by the Rescue Mission within one (1) week.
- 4) That following the conveyance of the Wyoming property to the City, and upon taking such steps as are necessary to ensure that the property is properly zoned, that the City offer the Wyoming property for sale at fair market value as soon as possible in order to put the property back on the tax rolls.
- 5) That the City Attorney, in coordination with the City Manager, be further authorized to finalize the contracts required to effectuate this transaction.

PASSED AND APPROVED on this the ____ day of _____, 2015.

THE CITY OF EL PASO

ATTEST:

Oscar Leeser
Mayor

Richarda Duffy Momsen,
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Bertha A. Ontiveros
Senior Assistant City Attorney

David Almonte, Deputy City Manager
Health and Safety