

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

CITY CLERK DEPT.
2015 FORM AM11:16

DEPARTMENT: Mayor and Council
El Paso Water Utilities Public Service Board

AGENDA DATE: Introduction - April 14, 2015
Public Hearing - April 21, 2015

CONTACT PERSON/PHONE: Lupe Cuellar, Real Estate Manager and Counsel (915-594-5636)
Kurt Fenstermacher, Assistant to City Manager (915-212-1070)
Bertha A. Ontiveros, Senior Assistant City Attorney (915-212-0033)

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.

AN ORDINANCE AUTHORIZING THE SALE TO THE RESCUE MISSION OF EL PASO INC. OF THE FOLLOWING REAL PROPERTY AND ALL IMPROVEMENTS LOCATED THEREON: (1) A 2.6306 ACRE PARCEL MUNICIPALLY KNOWN AS 130 N. COTTON STREET, BEING MORE PARTICULARLY DESCRIBED AS ALL OF LOTS 1 THROUGH 18, A PORTION OF LOTS 19 THROUGH 21, LOTS 56 THROUGH 71 AND A PORTION OF LOTS 52 THROUGH 55, BLOCK 71, COTTON ADDITION, AN ADDITION TO THE CITY OF EL PASO; AND (2) A 2.2602 ACRE PARCEL MUNICIPALLY KNOWN AS 221 N. LEE STREET, BEING MORE PARTICULARLY DESCRIBED AS A PORTION OF LOTS 20 THROUGH 23, LOTS 24 THROUGH 48, AND A PORTION OF LOTS 49 THROUGH 53 AND ADJACENT CLOSED ALLEY, BLOCK 71, COTTON ADDITION, AN ADDITION TO THE CITY OF EL PASO

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 property located at 130 N. Cotton ("Cotton Parcel"). On January 6, 2015, the City Council approved the City's acceptance of this property from the inventory of the El Paso Water Utilities. The City Council further approved execution of a Contract of Sale 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 Avenue to the City.

The Rescue Mission has identified a second parcel, adjacent to the Cotton parcel, located at 221 N. Lee Street ("Lee Parcel") for their development project. A First Amendment to the Contract of Sale to add the Lee Parcel to the City's conveyance will be posted for the Council's action at the same time it holds a public hearing for this Ordinance.

Such Lee Parcel is managed and controlled by the El Paso Water Utilities - Public Service Board ("PSB") on February 11, 2015, the PSB found that the Lee Parcel is inexpedient to the water utility system and authorized its President/CEO to obtain an appraisal and forward a recommendation to City Council to sell the land for the appraised value. The PSB obtained a certified appraisal of the property which has valued the Lee Parcel at \$830,000.

The Resolution authorizes the City Manager to sign the First Amendment to the Contract of Sale to add the Lee parcel to the sale of City Property to the Rescue Mission.

This Ordinance would authorize the City to sell both parcels to the Rescue Mission. The Rescue Mission will pay the PSB the appraised value of \$830,000 in consideration for the conveyance of the Lee Parcel. The consideration for the Cotton Property will be the City's exchange of the Cotton Parcel for the 900 Wyoming property owned by the Rescue Mission.

In accordance with Texas Local Government Code Section 272.001(g), the City will also convey the both parcels 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 on both the Cotton Parcel and the Lee Parcel.

City and PSB recommend that the City Council approve the Resolution to authorize the First Amendment to the Contract of Sale to add the Lee Parcel.

There is a related item on the agenda to approve an Ordinance to convey the Cotton Parcel and the Lee Parcel to the Rescue Mission.

PRIOR COUNCIL ACTION:

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

Yes. Council approved Contract of Sale for the property at 130 N. Cotton Street on January 6, 2015.

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?

Capital Project Fund

BOARD / COMMISSION ACTION: N/A

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: _____

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE SALE TO THE RESCUE MISSION OF EL PASO INC. OF THE FOLLOWING REAL PROPERTY AND ALL IMPROVEMENTS LOCATED THEREON: (1) A 2.6306 ACRE PARCEL MUNICIPALLY KNOWN AS 130 N. COTTON STREET, BEING MORE PARTICULARLY DESCRIBED AS ALL OF LOTS 1 THROUGH 18, A PORTION OF LOTS 19 THROUGH 21, LOTS 56 THROUGH 71 AND A PORTION OF LOTS 52 THROUGH 55, BLOCK 71, COTTON ADDITION, AN ADDITION TO THE CITY OF EL PASO; AND (2) A 2.2602 ACRE PARCEL MUNICIPALLY KNOWN AS 221 N. LEE STREET, BEING MORE PARTICULARLY DESCRIBED AS A PORTION OF LOTS 20 THROUGH 23, LOTS 24 THROUGH 48, AND A PORTION OF LOTS 49 THROUGH 53 AND ADJACENT CLOSED ALLEY, BLOCK 71, COTTON ADDITION, AN ADDITION TO THE CITY OF EL PASO

WHEREAS, on January 6, 2015, the City Council authorized the City Manager to accept the transfer of a 2.6306 acres acre parcel of real property and all improvements located thereon from the inventory of the El Paso Water Utilities – Public Service Board (“PSB”), which property is located at 130 Cotton Street, El Paso, El Paso County, Texas, being more particularly described as Lots 1 through 18 and a portion of Lots 19 through 21, Lots 56 through 71 and described by metes and bounds in Exhibit “A, which is attached hereto and made a part hereof (the “Cotton Parcel”);

WHEREAS, on January 6, 2015, the City Council further authorized the City Manager to execute a Contract of Sale with the Rescue Mission of El Paso (“Rescue Mission”) for the conveyance of the Cotton Parcel, in consideration for the Rescue Mission’s simultaneous conveyance to the City of El Paso of that certain real property owned by the Rescue Mission at 900 Wyoming, El Paso, Texas;

WHEREAS, the City Council has authorized the First Amendment to the Contract of Sale authorizing the conveyance of an additional improved 2.2602 acre parcel of real property to the Rescue Mission, which parcel is managed and controlled by the PSB and is located at 221 N. Lee Street in the City of El Paso, El Paso County, Texas, being more particularly described as a portion of Lots 20 through 23, Lots 24 through 48, and a portion of Lots 49 through 53 and adjacent closed alley, Block 71, Cotton Addition in the City of El Paso, El Paso County, Texas, and described by metes and bounds in Exhibit “B”, in consideration of \$830,000, the appraised value, payable to the City of El Paso – El Paso Water Utility – Public Service Board;

WHEREAS, the El Paso Water Utilities – Public Service Board (PSB) at its regular meetings of November 12, 2014 and February 11, 2015 declared the two parcels inexpedient to the Water and Wastewater System and authorized forwarding the recommendation to the City Council to transfer the Cotton parcel to the City inventory and to convey the Lee parcel to the Rescue Mission for the appraised value in accordance with the conditions set forth in two PSB motions;

WHEREAS, the City will convey the Cotton parcel and the Lee parcel (collectively the “Property”) to the Rescue Mission pursuant to Texas Local Government Code Section

ORDINANCE

14-1033-013 – Ordin COS 130 Cotton/221 Lee - Rescue Mission
BAO Doc # 395207

272.001(g) for the development, renovation, construction, operation, management and use of the Property to provide temporary, interim, transitional, or permanent 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, City finds that the proposed use of the Property will serve a municipal public purpose since the Rescue Mission will provide temporary shelter, interim, transitional or permanent housing, food and other related services to homeless persons and families (including, but not limited to, the operation of any related businesses regularly carried 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, pursuant to Texas Local Government Code Section 252.011, the City may convey the Property without complying with the notice and bidding requirements of Texas Local Government Code Section 272.001(a);

WHEREAS, City staff and PSB recommend that the City approve the conveyance of the Property and the Rescue Mission desires to acquire the Property from City for the stated public purposes upon the terms and conditions set forth herein.

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

That the City Manager is authorized to sign any and all documents in a form approved by the City Attorney's office for the sale of the following real property and all improvements located thereon to the Rescue Mission of El Paso, Inc.:

1) a 2.6306 acre parcel municipally known as 130 N. Cotton Street, being more particularly described as all of Lots 1 through 18, a portion of Lots 19 through 21, Lots 56 through 71 and a portion of Lots 52 through 55, Block 71, Cotton Addition, an Addition to the City of El Paso, which is commonly; and

2) a 2.2602 acre parcel municipally known as 221 N. Lee Street, being more particularly described as a portion of Lots 20 through 23, Lots 24 through 48, and a portion of Lots 49 through 53 and adjacent closed alley, Block 71, Cotton Addition in the City of El Paso, El Paso County, Texas.

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

THE CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Richarda Duffy Momsen,
City Clerk

APPROVED AS TO FORM:

Bertha A. Ontiveros
Senior Assistant City Attorney

APPROVED AS TO CONTENT:

Kurt Fenstermacher
Assistant to the City Manager

APPROVED AS TO CONTENT AND FORM:

Lupe Cuellar
Real Estate Manager and Counsel
El Paso Water Utilities – Public Service Board