

THIS IS A PROPOSED DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED
ORDINANCE OR RESOLUTION ADOPTED BY THE CITY COUNCIL.

ORDINANCE

DECLARING A 12.39 ACRE TRACT OF THE DECOMMISSIONED SOUTHEAST SERVICE CENTER, NCB 10934 BLK LOT 45, LOCATED AT 7402 S. NEW BRAUNFELS, SAN ANTONIO, TEXAS IN THE SOUTHEAST NEIGHBORHOOD IMPROVEMENT AREA WITHIN COUNCIL DISTRICT 3 AS SURPLUS TO THE NEEDS OF THE CITY OF SAN ANTONIO AND APPROVING A CONTRACT FOR THE SALE OF APPROXIMATELY 9.38 ACRES OF SAID TRACT BETWEEN THE CITY OF SAN ANTONIO ACTING BY AND THROUGH THE URBAN RENEWAL AGENCY OF THE CITY OF SAN ANTONIO, DOING BUSINESS AS THE OFFICE OF URBAN REDEVELOPMENT SAN ANTONIO (OUR SA), TO FRANKLIN DEVELOPMENT PROPERTIES, LTD. IN THE AMOUNT OF \$485,000; AUTHORIZING REIMBURSEMENT OF ELIGIBLE EXPENSES FOR PERMITTED ACTIVITIES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN IN AN AMOUNT OF UP TO \$4,200,000, AND OTHER AUTHORIZED EXPENSES ASSOCIATED THEREWITH.

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WHEREAS, on May 6, 2017, voters approved the 2017-2022 Neighborhood Improvements Bond program which provided for the issuance of general obligation bonds up to \$20 million to finance the cost of the development of affordable and workforce housing in the City of San Antonio as set forth in the City of San Antonio’s Urban Renewal Plan; and

WHEREAS, the City of San Antonio currently owns an approximately 12.39 acre parcel of land located at 7402 S. New Braunfels, legally described as NCB 10934 BLK LOT 45, San Antonio, Texas in Council District 3 which has commonly been referred to as the City’s Southeast Service Center (“Property”), said property being more accurately depicted on **Exhibit “A”**; and

WHEREAS, the City has determined that 9.38 acres of the Property would be suitable for redevelopment of a multifamily residential complex under the Neighborhood Improvements Bond Program in accordance with the Urban Renewal Plan and that this portion of the Property should be sold to a qualified developer; and

WHEREAS, on behalf of the Urban Renewal Agency of the City of San Antonio, doing business as the Office of Urban Redevelopment San Antonio (“OUR SA”), staff released a Request for Proposals (the “RFP”) on April 19, 2019, advertising the Project, referred to as the Southeast Service Center Affordable Housing Redevelopment Project (“Project”), and seeking submissions from qualified developers throughout the country with the requisite affordable housing development experience, financial capacity and capability, site plan, timeline, experience and interest in redeveloping the Property as an affordable housing residential development; and

WHEREAS, staff recommended that Franklin Development Properties, Ltd. be selected as the successful firm to redevelop the Southeast Service Center property for the Neighborhood Improvement Bond Program; and

WHEREAS, the Project was approved by the OUR SA Board of Directors on August 13, 2019; and

WHEREAS, on September 11, 2019, staff briefed the Planning Commission on their determination that the Property was currently not being utilized any longer for its original purposes, was better suited for the development of affordable housing and had been selected for redevelopment under the City's Neighborhood Improvements Bond Program and was, therefore, surplus to the needs of the City; and

WHEREAS, the Planning Commission thereafter passed a resolution recommending that City Council declare the Property as surplus property and authorize 9.38 acres of the Property to be sold for redevelopment under the City's Neighborhood Improvements Bond Program; and

WHEREAS, staff recommends that the City Council declare the Property as surplus to the needs of the City and authorize the sale and redevelopment of 9.38 acres of the Property as set forth herein.

WHEREAS, the City Council finds that the bid received from Franklin Development Properties, Ltd. is the highest and best responsible bid and therefore authorizes OUR SA to enter into a Contract for the Sale of Land for Private Redevelopment with Franklin Development Properties, Ltd.; and

WHEREAS, the City Council further finds the Urban Renewal Plan authorizes the reimbursement of eligible expenses for permitted activities, consistent with the Urban Renewal Plan; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Council hereby declares the Property identified and more fully depicted on **Exhibit "A"** to be surplus to the needs of the City of San Antonio.

SECTION 2. The City Council hereby authorizes the sale of an approximately 9.38 acre parcel of land located at 7402 S. New Braunfels Ave. as more particularly described in the attached **Exhibit "A"**, for the sales price of \$485,000.00 to be paid to the City, by and through OUR SA providing for reimbursement by the City for eligible expenses in an amount of up to \$4,200,000.00. The City Council further approves the Contract for Sale of Land for Private Redevelopment with Franklin Development Properties, Ltd., attached hereto as **Exhibit "B"**, said exhibits being incorporated for all purposes as if fully set forth herein.

SECTION 2. City staff and OUR SA are hereby authorized to execute all documents and take all necessary actions to close and finalize the transactions at the prices and conditions set forth herein.

SECTION 3. Payment in the amount of \$485,000.00 is authorized to be encumbered and made payable to the City, and by and through OUR SA, payment in the amount of up to \$4,200,000.00 is authorized and encumbered and payable to Franklin Development Properties, Ltd., in Fund 45099000, WBS Element 23-01738-08-04-02-01, and GL 5201140. Payment is limited to the amounts budgeted in the Operating and/or Capital Budget funding sources identified. All expenditures will comply with approved operating and/or capital budgets for current and future fiscal years.

SECTION 4. Funds generated by this ordinance will be deposited into Fund 29700007 Internal Order 261000000025 and General Ledger Account 4903101.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 6. This Ordinance shall be effective immediately upon passage by eight or more affirmative votes; otherwise, it shall be effective on the tenth day after passage.

PASSED AND APPROVED this 12th day of September, 2019.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney

EXHIBIT "A"
(Map of Property)

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EXHIBIT "B"

(Contract for the Sale of Land for Private Redevelopment)

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