



# City of San Antonio

## Agenda Memorandum

**File Number:**13-979

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**Agenda Item Number:**

**Agenda Date:** 11/7/2013

**In Control:** City Council A Session

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**DEPARTMENT:** Center City Development Office

**DEPARTMENT HEAD:** Lori Houston

**COUNCIL DISTRICTS IMPACTED:** Council Districts 1, 2, and 4

### **SUBJECT:**

Disposition of three (3) surplus real properties by the Office of Urban Redevelopment (OUR SA)

### **SUMMARY:**

Consideration of the following ordinances authorizing the declaration as surplus and disposition of three real properties by the Office of Urban Redevelopment.

- A. An ordinance declaring as surplus and authorizing the disposition of an approximately 0.0808 acre tract of land in Council District 1 commonly known as **214 Stark** for the bid price of \$2,501.
- B. An ordinance declaring as surplus and authorizing the disposition of an approximately 0.0781 acre tract of land in Council District 2 commonly known as **1819 Hackberry** for the bid price of \$6,050.
- C. An ordinance declaring as surplus and authorizing the disposition of an approximately 0.1194 acre tract of land in Council District 4 commonly known as **8523 Big Creek** for the bid price of \$5,200.

### **BACKGROUND INFORMATION:**

On February 12, 2013, The OUR SA Board of Commissioners approved a Resolution directing the Executive Director and staff “to sell or otherwise dispose of OUR SA surplus Property”. At the same time the Board approved a Resolution directing the Executive Director and staff to “follow the City of San Antonio property review process (referred to as “canvassing”) prior to the disposition of any OUR SA surplus properties”.

- A. OUR SA acquired **214 Stark** in 1995. The property has remained vacant and undeveloped since acquisition.

The property was advertised for sale on two different days in a newspaper of general circulation in Bexar County in April of 2013. One bid of \$2,501 for the purchase of this property was received by the City Clerk and forwarded to OUR SA staff for review. The OUR SA Board approved the sale of this property to the single bidder during the May 2013 Board meeting.

B. OUR SA acquired **1819 Hackberry** in 1997. The property has remained vacant and undeveloped since acquisition. The property was advertised for sale on two different days in a newspaper of general circulation in Bexar County in April of 2013. One bid of \$6,050 for the purchase of this property was received by the City Clerk and forwarded to OUR SA staff for review. The OUR SA Board approved the sale of this property to the single bidder during the May 2013 Board meeting.

C. **8523 Big Creek** was originally acquired by the now defunct non-profit Alamo City Urban Homestead (ACUH) in 1996. ACUH was subsequently dissolved, which according to the ACUH bylaws transfers ownership to the City of San Antonio in the event of dissolution. Chapter 37, Section C of the Municipal Code states that all properties suitable for single family affordable housing can be sold by the housing and neighborhood services department, or its successor which is the Office of Urban Redevelopment (OUR SA). This property has remained undeveloped and unproductive since acquisition following a fire that destroyed the existing home in 1998. One bid of \$5,200 for the purchase of this property was received by the City Clerk and forwarded to OUR SA staff for review. The OUR SA Board approved the sale of this property to the single bidder during the May 2013 Board meeting.

All three properties were canvassed through City departments and utilities agencies and were determined to be surplus to the needs of the City.

Approval of these resolutions will allow OUR SA to dispose of these surplus properties for residential development.

#### **ISSUE:**

The Office of Urban Redevelopment approved a Resolution authorizing the sale of all of the surplus properties currently owned by OUR SA. In compliance with the applicable statute, the properties were advertised for sale by bid, and canvassed following the established CIMS process. Single bids for each property were received, reviewed and presented to the Board. The Board voted to accept each bid with the intent to increase the stock of affordable housing in compliance with the neighborhood plans associated with each tract. This, in turn, will result in creating additional tax revenue for the City.

#### **ALTERNATIVES:**

An alternative would be to reject the bids and continue to advertise the sale of these properties. This alternative would lead to continued maintenance costs to OUR SA and loss of revenue to the City's General Fund since the properties are currently publicly owned and not generating any property taxes.

#### **FISCAL IMPACT:**

These properties were acquired using CDBG funds and therefore the monies generated by the sale of these properties will be considered program income and will be returned (less reasonable maintenance and closing expenses) to the Department of Planning and Community Development Grants Monitoring and Administration

Division.

**RECOMMENDATION:**

Staff recommends approval of these ordinances authorizing the sale of these surplus OUR SA properties.