



City of San Antonio

Agenda Memorandum

File Number: 14-3133

Agenda Item Number: 12.

Agenda Date: 1/29/2015

In Control: City Council A Session

DEPARTMENT: EastPoint and Real Estate Services

DEPARTMENT HEAD: Mike Etienne

COUNCIL DISTRICTS IMPACTED: 6

SUBJECT: Disposition of four vacant tracts of City-owned property

SUMMARY:

Consideration of ordinances to declare surplus and authorize the disposition of four vacant City-owned housing lots to Alamo Area Mutual Housing Association, Inc., a Texas non-profit corporation, for construction of infill affordable housing in the Edgewood REnewSA target area, located in Council District 6. The properties are located at 526 Erline Avenue, 211 Coopwood Avenue, 526 Laverne Avenue and 507 Moselle Avenue, in City Council District 6, as shown on the attached Exhibit "A."

BACKGROUND INFORMATION:

Under Municipal Code, all City property must be declared as surplus prior to the disposition of the property. Under this process, a request to declare property as surplus is submitted to the Office of EastPoint and Real Estate Services. The request and exhibits are then sent to City departments and utilities which provide services or construct infrastructure on the property. The departments and utilities respond if there is a need for the property or if the property can be disposed. Appraisals and surveys are completed if the property is determined to be surplus. The property is then presented to City Council for final authorization to declare the property as surplus and dispose of the property in accordance with Chapter 272 of the Local Government Code.

Alamo Area Mutual Housing Association, Inc., a Texas non-profit corporation, (Petitioner) is requesting that the City of San Antonio declare as surplus and dispose four vacant parcels of City-owned real property located at 526 Erline Avenue, 211 Coopwood Avenue, 526 Laverne Avenue and 507 Moselle Avenue, in City Council District 6, as shown on the attached Exhibit "A."

All four properties are within the REnewSA Edgewood Target Area. REnewSA is a new initiative for organizing and strategically deploying the community development tools administered by the Department of Planning and Community Development, Office of Historic Preservation, Center City Development Office, Development Services Department, other City departments, and outside partner agencies to create value from

vacant, neglected, and underutilized properties in the City’s commercial corridors and neighborhoods. The focus of REnewSA is on returning distressed properties in the inner city and Inner City Reinvestment/Infill Policy (ICRIP) areas to productive use with an emphasis on five target neighborhoods: University Park/West Blue Ridge, Wheatley, Edgewood, Collins Gardens and Harlandale.

Alamo Area Mutual Housing Association, Inc. was founded in 1990 to serve families in San Antonio and Bexar County. Its mission is to develop, own and manage quality affordable housing in a community environment that promotes resident education, self-sufficiency, leadership and volunteerism through successful partnerships. Petitioner owns and operates 1,342 multifamily units at 10 properties throughout the San Antonio and Bexar County area. Petitioner recently added single-family homeownership, as a line of business to meet the growing unmet affordable homeownership needs of San Antonio families. Petitioner plans on utilizing the four City-owned lots to provide infill housing which will be sold at affordable prices. Petitioner currently offers homebuyer classes and counseling to help prospective homeowners through the purchasing process. As a condition to the sale, the purchase contract states that the properties would revert back to the City if the buyer fails to build on the lots in one year.

ISSUE:

Consideration of ordinances to declare surplus and authorize the disposition of four vacant City-owned housing lots to Alamo Area Mutual Housing Association, Inc., a Texas non-profit corporation, for construction of infill affordable housing in the Edgewood REnewSA target area. The properties are located at 526 Erline Avenue, 211 Coopwood Avenue, 526 Laverne Avenue and 507 Moselle Avenue, in City Council District 6, as shown on the attached Exhibit “A.”

If approved, Petitioner intends to construct infill affordable single family homes on the properties. This action is consistent with the City Code and Ordinances, which require City Council approval for the disposition of any surplus City-owned real property.

ALTERNATIVES:

The alternative is not to approve the sale of these four underutilized small parcels. Staff does not recommend this alternative since the properties would remain vacant and underutilized. Also, the City would not be fulfilling its REnewSA goal of returning distressed properties in the inner city and Inner City Reinvestment/Infill Policy (ICRIP) areas to productive use.

FISCAL IMPACT:

To facilitate development of infill affordable housing in the Edgewood RenewSA target area, four small underutilized parcels are proposed to be sold to Alamo Area Mutual Housing Association, Inc. for a sales price of \$1.00 each. According to the Bexar Appraisal District, 526 Erline Avenue is valued at \$8,040.00; 211 Coopwood Avenue is valued at \$4,130.00; 526 Laverne Avenue is valued at \$7,730.00; and 507 Moselle Avenue is valued at \$7,730.00.

As a condition to the sale, the purchase contract states that the properties would revert back to the City if the buyer fails to build on the lots in one year. Petitioner also agrees to pay for all associated fees to include the escrow fee charged by Title Company; the basic premium for title insurance, the costs to obtain, deliver, and record all documents; the cost of all endorsements or other title-policy-related fees incurred by Petitioner’s request, and its own expenses and attorney’s fees.

RECOMMENDATION:

Staff recommends approval of this request to declare as surplus and dispose four parcels of City-owned real property to the Alamo Area Mutual Housing Association, Inc., a Texas non-profit corporation for construction of infill affordable housing in the Edgewood RenewSA target area.

The City of San Antonio's Planning Commission approved this request at its regular meeting on December 17, 2014.