



City of San Antonio

Agenda Memorandum

File Number: 15-4529

Agenda Item Number: 4.

Agenda Date: 10/15/2015

In Control: City Council A Session

DEPARTMENT: Center City Development and Operations

DEPARTMENT HEAD: Lori Houston

COUNCIL DISTRICTS IMPACTED: Council District 1

SUBJECT:

A briefing by the San Antonio River Authority on the San Pedro Creek Improvements Project and the declaration as surplus and conveyance of City owned real property interests along and near San Pedro Creek for the purpose of the project.

SUMMARY:

The San Antonio River Authority (SARA) is the project manager for the San Pedro Creek Improvements Project. SARA staff will provide a briefing on the project scope, status, and next steps.

This ordinance also authorizes the declaration as surplus and conveyance of 19 City owned real property interests, located in City Council District 1 along or near the existing San Pedro Creek, to the San Antonio River Authority (SARA) for the purpose of the San Pedro Creek Improvements Project. The total estimated value of the property interests is \$4,153,010.40.

BACKGROUND INFORMATION:

The San Pedro Creek Improvements Project is a 2 mile improvement to San Pedro Creek. The projects northern boundary begins at the flood tunnel inlet at IH-35 and ends at the confluence of the Alazan and Apache Creeks at IH-35 to the south. Phase 1 is from the San Pedro Creek Tunnel Inlet to Cesar Chavez; Phase 2 is Guadalupe to South Alamo; Phase 3 is South Alamo to IH35; and Phase 4 is Cesar Chavez to Guadalupe. The project includes 4 miles of trails and 11 acres of landscaped area and will remove 30 acres of property from the flood plain.

The project is currently at 70% design and will reach 100% by March 2016. Construction will begin on Phase 1 in summer of 2016 and will be completed in May 2018 and Phase 2 will begin in fall 2016 and will be completed in fall 2018.

The San Antonio River Authority (SARA) is the project manager. The estimated project cost is \$175 million and Bexar County has already committed \$125 million to the project. Of the \$175 million, \$30 million was the estimated value of the public and private property that would need to be acquired for the project. In order to reduce project costs, SARA and Bexar County are pursuing donations of the required properties. The City will propose funding allocation for future phases to be considered in the 2017 Bond Program. Additionally, City staff is working with SARA on an operations and maintenance plan for San Pedro Creek.

This ordinance declares as surplus and conveys City owned real property interests to the San Antonio River Authority for their use in the San Pedro Creek Improvements Project. The proposal consists of conveying the real property interests of nineteen City owned properties in the following way:

- A. Fourteen properties by deed without warranty - consisting of approximately 0.052 acres abutting 343 West Houston Street, 0.088 acres abutting 301 South Flores Street, 0.017 acres abutting 319 South Flores Street, 0.022 acres abutting 331 South Flores Street, 0.320 acres at 303 West Houston Street, 0.305 acres at 302 West Houston Street, 0.102 acres at 201 West Cesar Chavez Boulevard, 0.619 acres at 834 South Laredo Street, 836 South Laredo Street, 147 Guadalupe Street, 149 Guadalupe Street, and 151 Guadalupe Street, 0.469 acres at 150 Guadalupe Street and 900 South Laredo Street.
- B. One property by temporary easement - consisting of approximately 0.693 acres at 506 Dolorosa.
- C. Four properties by joint use agreement - consisting of approximately 0.013 acres and 0.127 acres abutting 600 North Santa Rosa Street, 0.373 acres abutting 500 North Santa Rosa Street, and 0.016 acres abutting 426 South Santa Rosa Street.

The value of these properties represent approximately \$4,153,010.40 and will be recognized as a City of San Antonio investment in the San Pedro Creek Project.

There are additional City owned property interests located along and near San Pedro Creek that may be necessary for the project. Additionally, a ground lease on one property located at 1901 South Alamo that consists of approximately 0.064 acres and is valued at approximately \$50,181.12 will be brought before City Council for consideration in November.

This action is consistent with City Code and Ordinances, which require City Council approval for the disposition of City-owned or controlled real property. All City departments have been canvassed regarding the conveyance of these property interests, and the Planning Commission made a recommendation for City Council approval of this item on June 24, 2015.

In addition to the conveyance of property interests, the City has also agreed to assist the San Antonio River Authority in the successful completion of their construction and subsequent operation of the San Pedro Creek Improvements Project through a commitment of up to 300 acre-feet of recycled water per year. This recycled water is needed for diversion from the City's bed and banks on the San Antonio River to the City's bed and banks along San Pedro Creek to implement the Project.

ISSUE:

The San Antonio River Authority (SARA) has requested the conveyance of real property interests owned by the City of San Antonio along and near San Pedro Creek. The conveyance of these real property interests are needed for the development of the San Pedro Creek Improvements Project.

ALTERNATIVES:

City Council could choose not to approve this resolution, however, that would prevent the San Antonio River Authority from constructing essential components of the San Pedro Creek Improvements Project.

FISCAL IMPACT:

The City of San Antonio is conveying these property interests at no cost to the San Antonio River Authority in recognition of the value that the creek improvements will bring to the community. Deeds and easements will contain a reverter should the properties cease to be used for San Pedro Creek Improvements Project, including subsequent flood control and ecosystem restoration projects. The estimated project cost is \$175 million and Bexar County has already committed \$125 million to the project. Of the \$175 million, \$30 million is for property acquisition. These property interests are valued at approximately \$4,153,010.40.

The conveyance of these property interests will result in the loss of monthly rental revenue of \$4,750 from the City owned parking lot located at 302 West Houston Street. The City also expects to lose approximately 9 public parking spaces with a total average monthly rental revenue of \$567 from the City owned parking lot located at 506 Dolorosa. San Antonio River Authority has agreed to allow the City to collect revenue from these parking lots through April of 2016. However, the ad valorem taxes and sales taxes resulting from the redevelopment along San Pedro Creek will be much greater than the actual loss in parking revenue.

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing the conveyance of City owned property interests to the San Antonio River Authority in support of the San Pedro Creek Improvements Project.