



City of San Antonio

Agenda Memorandum

File Number:17-1252

Agenda Item Number: 18.

Agenda Date: 3/22/2017

In Control: Planning Commission

DEPARTMENT: Department of Planning and Community Development

DEPARTMENT HEAD: Bridgett White

COUNCIL DISTRICT IMPACTED: 2

SUBJECT:

Approval of a Resolution declaring as Surplus and Authorizing the Sale of the City Owned property located at 301 Spriggssdale.

SUMMARY:

Consideration of a Resolution Declaring as Surplus and Authorizing the Sale of the City Owned property located at 301 Spriggssdale, located within the boundary of the Inner City Tax Increment Reinvestment Zone (TIRZ #11) to the George Gervin Youth Center (GGYC).

BACKGROUND INFORMATION:

On January 7, 2011, the City of San Antonio and MAUC POINT EAST HOUSING, L.P., a Texas for-profit limited partnership, entered into a Chapter 380 Economic Development Program Grant and Loan Agreement to facilitate a 200 multi-family housing unit development for seniors at 301 Spriggssdale, located within the boundary of the Inner City Tax Increment Reinvestment Zone #11 for an amount not to exceed \$700,000.00.

On March 22, 2013, the MAUC deeded the property to the City through a Warranty Deed In Lieu of Foreclosure.

On August 14, 2015 the Inner City TIRZ Board of Directors recommended the award of up to \$150,000.00 to GGYC to fund a Pre-Development Agreement that required GGYC to conduct a full site assessment, develop conceptual drawings, conduct financial feasibility analysis, create a master plan, and a financial plan for the proposed Project.

On October 22, 2015, the City approved an Ordinance authorizing a pre-development and a right of entry agreement between the City of San Antonio, the Board of Directors for TIRZ #11, and the GGYC to fund pre-development activities up to \$150,000.00 on the City Owned property located at 301 Spriggssdale and within the boundary of the Inner City TIRZ.

In October, 2016, GGYC notified Staff and the Inner City TIRZ Board that their research determined that the overall project was economically feasible.

On November 18, 2016, GGYC submitted an application to the TIRZ #11 Board requesting the sale of the land at a nominal rate. Staff determined that the sale could not be for a nominal fee, that City Code requires the sale of the land at fair market value, and that Planning Commission approval was necessary to declare the property as surplus in order to affect the sale.

On February 10, 2017, The Inner City TIRZ Board authorized City Staff to negotiate an agreement with the GGYC and make the necessary amendments to the TIRZ Project and Finance Plans for the reimbursement of land acquisition and appraisal costs associated with the purchase of the real property, located at 301 Spriggsdale in an amount not to exceed \$800,000.00 in tax increment, pending planning commission approval.

GGYC owns property adjacent to the Project site.

ISSUE:

The GGYC requires ownership of the vacant parcel located at 301 Spriggsdale to facilitate the development of a 20 acre mixed use development identified at the Echo East Mixed Use Development Project. This project will eliminate blighted property within the boundary of the Inner City TIRZ, attract economic activity in the area, and supports the strategic plans of Council District #2. The proposed project will provide approximately 600 apartment units, 2 parking structures, and 28,000 sq. ft. of retail across a three phase development. The project will consist of market rate housing units and may also include some affordable units.

The real property interests, currently owned and/or maintained by the City of San Antonio, have been identified as necessary to complete the Echo East Mixed Use Development Project. Additionally, the property requires clean up maintenance on a regular basis. It is underutilized and creating no value for the neighborhood or the City of San Antonio, nor is it generating any tax revenue.

The property will be sold at fair market value, based on an appraisal provided by a qualified appraiser certified by the City of San Antonio. The property is located within a reinvestment zone, which allows for a Direct Sale

ALTERNATIVES:

The Planning Commission could choose not to authorize approve the request, however, that would prevent the GGYC from constructing essential components vital to the redevelopment of a blighted property located within the Inner City TIRZ boundary.

FISCAL IMPACT:

There is no fiscal impact. The net funds from the sale of 301 Spriggsdale will be deposited into the Inner City TIRZ Fund. Reimbursements due to the GGYC will be paid solely from the Inner City TIRZ fund.

RECOMMENDATION:

This action is consistent with City Codes and Ordinances which require Planning Commission approval for the disposition of city owned or controlled real property.

Staff recommends approval of a Resolution Declaring as Surplus and Authorizing the Sale of the City Owned property located at 301 Spriggsdale, located within the boundary of the Inner City Tax Increment Reinvestment Zone (TIRZ #11) to the George Gervin Youth Center (GGYC).