



City of San Antonio

Agenda Memorandum

File Number:17-1904

Agenda Item Number: 9.

Agenda Date: 4/6/2017

In Control: City Council A Session

DEPARTMENT: Transportation & Capital Improvements

DEPARTMENT HEAD: Mike Frisbie, P.E.

COUNCIL DISTRICTS IMPACTED: Council District 1

SUBJECT:

Disposition: Closure of an improved portion of Avenue A Street Public Right of Way

SUMMARY:

An ordinance closing, vacating and abandoning 0.236 of an acre of Avenue A Street Public Right of Way, located between Newell Avenue and Interstate Highway 35, in Council District 1, as requested by Broadway SA Investors GP, LLC, for a fee of \$116,172.00.

BACKGROUND INFORMATION:

Broadway SA Investors, GP, LLC (Petitioner), is requesting the closure, vacation and abandonment of an improved 0.236 of an acre (10,300 square feet) Avenue A Street Public Right of Way, as shown on attached Exhibit "A." If approved, Petitioner plans to assemble its abutting properties with the proposed closure for the future development of the Brewery South Project at 226 Newell Avenue and 333 Newell Avenue. The project will have 223 multifamily units. Petitioner has indicated it will convert the proposed closure into a surface parking lot to serve the residents of the units. Construction on the project is anticipated to start in September, 2017 and completed by December, 2019.

Previous Council Action

On December 8, 2016 City Council previously approved the disposition of 0.007 of an acre on Newell Avenue for this same development through Ordinance 2016-12-08-0966.

ISSUE:

This ordinance will close, vacate and abandon 0.236 of an acre of Avenue A Street Public Right of Way, located between Newell Avenue and Interstate Highway 35, in Council District 1, as requested by Broadway SA Investors GP, LLC, for a fee of \$116,172.00.

Broadway SA Investors, GP, LLC (Petitioner), is requesting the closure, vacation and abandonment of an improved 0.236 of an acre (10,300 square feet) Avenue A Street Public Right of Way, as shown on attached Exhibit "A." If approved, Petitioner plans to assemble its abutting properties with the proposed closure for the future development of the Brewery South Project at 226 Newell Avenue and 333 Newell Avenue. The project will have 223 multifamily units. Petitioner has indicated it will convert the proposed closure into a surface parking lot to serve the residents of the units. Construction on the project is anticipated to start in September, 2017 and completed by December, 2019.

This action is consistent with City Code and Ordinances, which requires City Council approval for the sale or disposition of City-owned or controlled real property.

ALTERNATIVES:

City Council could choose not to approve this request; however, doing so would continue the City's obligation for maintenance.

FISCAL IMPACT:

In compliance with Chapter 37 of the City Code, Section 37-2, fair market value of the proposed closure was based upon an independent State of Texas Certified Professional Appraisal Report prepared by Eckmann Groll, Inc. on December 7, 2016. Petitioner is investing approximately \$49,000,000.00 in the project. The appraisal fair market value established for this street closure is \$232,000.00. Based on the \$49,000,000.00 investment, Petitioner qualifies for a 50% reduction of the appraisal value in accordance with the Inner City Revitalization / Infill Policy (ICRIP). Staff recommends to City Council that 50% of the appraisal value be waived. Petitioner has agreed to pay a total fee of \$116,172.00 which includes the appraised value of \$232,000.00 less \$116,000.00 (50% fee waiver under the ICRIP) plus \$72.00 for the posting of one (1) sign notifying the public of the proposed street closure and \$100.00 for recording fees. These funds will be deposited into the General Fund in accordance with the FY 2017 Adopted Budget.

The property will be placed on the tax rolls, which will generate revenue for the City of San Antonio as well as other taxing entities.

RECOMMENDATION:

The City of San Antonio's Planning Commission approved this request at its regular meeting of March 22, 2017.

Staff recommends approval of this request to close, vacate and abandon an improved portion of Avenue A Street Public Right of Way, in Council District 1.