



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 7C.

Agenda Date: 5/4/2017

In Control: City Council A Session

DEPARTMENT: Transportation & Capital Improvements

DEPARTMENT HEAD: Mike Frisbie, P.E.

COUNCIL DISTRICTS IMPACTED: Council District 6

SUBJECT:

Authorizing the sale of city-owned property within the Southwest Business & Technology Park and the execution of an agreement between the City of San Antonio and the San Antonio Food Bank.

SUMMARY:

Consideration of the following ordinances authorizing the sale of City owned real property and entering into an agreement with the San Antonio Food Bank:

- A. An ordinance declaring as surplus a 23.30 acre unimproved tract of land in the Southwest Business & Technology Park located at State Highway 151 and Enrique Barrera Parkway in City Council District 6, and authorize its sale to the San Antonio Food Bank for \$250,000.00.
- B. An ordinance terminating a 20 year lease agreement with the San Antonio Food Bank for the use of an unimproved approximate 23.55 acre tract of land for use as an urban farm project in Council District 6.
- C. Authorizing a \$250,000 agreement with the San Antonio Food Bank to provide for the distribution of meals and food to families and individuals living in the city of San Antonio in need of food assistance.

BACKGROUND INFORMATION:

The San Antonio Food Bank (Food Bank) is a non-profit organization with a mission to fight hunger in Southwest Texas through food distribution, programs, education, and advocacy. The Food Bank relies on the

support of local business, churches, foundations, corporations, government, civic groups and individuals to successfully serve families and individuals who are at risk for going hungry. The Food Bank partners with senior citizen centers, church pantries, soup kitchens, emergency shelters, orphanages, after-school programs, daycare centers and rehabilitation facilities to provide food and other items to underprivileged populations. The Food Bank has been called upon to provide assistance in disaster situations such as assisting the city with evacuees following Hurricane Katrina.

In 2006, City Council approved the sale of approximately 11 acres of land in the Southwest Business & Technology Park to the Food Bank for construction of a new facility. The Food Bank moved into its new 104,000 square foot facility in 2007.

In 2011, City Council approved the conveyance of an additional 5.551 acres to the Food Bank for the expansion of its parking lot to accommodate visitors, volunteers and distribution vehicles. In addition, the Food Bank expanded its community garden and provided space for a farmers market.

In 2012, the Food Bank requested the city sell an additional 23 acre tract for use as an urban farm. The request was processed, and an appraisal was completed. The property was valued at \$753,000.00. At the time of the appraisal, the survey was completed for a 23.05 acre tract. In 2013, Bay Valley Foods purchased a portion of the property. The remaining portion of the property was leased to the Food Bank as approved by City Council in 2013 for use as an urban farm.

In November 2016, a new appraisal was completed by Eckmann Groll, Inc. In the new appraisal, a second survey was completed to reflect the remaining City owned property. Included in the second survey was a large detention pond with berm that was not included in the first survey or first appraisal. This difference resulted in fair market value of \$507,500.00 which was less than the appraisal in 2012.

The Food Bank has farmed the land since 2013 with a goal towards being 100% organic through the use of organic pesticides and injection pumps to provide natural fertilization. Drip line irrigation and rain catchment tanks are used to maximize yields and limit water use. Crops include cabbage, carrots, broccoli, peppers, tomatoes, watermelons and various other fruits and vegetables. The crops supplement other foods distributed by the Food Bank. The farm is also used for outreach and education since volunteers learn about agriculture and how to be self-sustaining.

The Food Bank is interested in making long-term, capital investments such as machinery and structures needed for farming operations, prompting the Food Bank to request the city sell an additional 23 acre tract for use as an urban farm. Ownership of the property will assist the Food Bank in obtaining capital for the long-term improvements. In compliance with City procedures, the subject property was advertised to the public in the San Antonio Hart Beat on Wednesday, February 8, 2017 and Friday, February 10, 2017. The San Antonio Food Bank submitted the only bid for \$250,000.00.

The Food Bank currently serves 58,000 individuals a week and provides 10,000 summer meals to children who lose access to daily school meals. This is accomplished through the distribution of 63,000,000 pounds of food and 77,000,000 meals annually.

ISSUE:

Consideration of the following ordinances authorizing the sale of City owned real property:

- A. This ordinance declares as surplus a 23.30 acre unimproved tract of land in the Southwest Business & Technology Park located at State Highway 151 and Enrique Barrera Parkway in City Council District 6, and authorizes its sale to the San Antonio Food Bank for \$250,000.00.
- B. This ordinance terminates a 20 year lease agreement with the San Antonio Food Bank for the use of an approximate 23.55 acre tract of land for use as an urban farm project in Council District 6.
- C. Authorizing a \$250,000 agreement with the San Antonio Food Bank to provide for the distribution of meals and food to families and individuals living in the city of San Antonio in need of food assistance.

The San Antonio Food Bank (Food Bank) is a non-profit organization with a mission to fight hunger in Southwest Texas through food distribution, programs, education, and advocacy. The Food Bank relies on the support of local business, churches, foundations, corporations, government, civic groups and individuals to successfully serve families and individuals who are at risk for going hungry. The Food Bank partners with senior citizen centers, church pantries, soup kitchens, emergency shelters, orphanages, after-school programs, daycare centers and rehabilitation facilities to provide food and other items to underprivileged populations. The urban farm crops consist of fruits and vegetables. The crops supplement other foods distributed by the Food Bank. The farm also is used for outreach and education since volunteers learn about agriculture and how to be self-sustaining.

The Food Bank is interested in making long-term, capital investments such as machinery and structures needed for farming operations. Ownership of the property will assist the Food Bank in obtaining capital for the long-term improvements.

Additionally, approval of the \$250,000 agreement with the San Antonio Food Bank would enable the Food Bank to provide additional meals to families and individuals living in the city of San Antonio in need of food assistance. A total of 3,500 unduplicated families will be serviced in a year with the \$250,000 City contribution. Meals will be provided through all strategies, primarily through the Food Bank's Mobile Pantry Program, partner agency network and SAFB summer and afterschool meal programs. The Food Bank will work with current and new food providers (USDA, grocers, brokers, etc.) to obtain the most nutritious products to provide groceries on a monthly basis to eligible families and individuals in the San Antonio area and expand marketing efforts to increase awareness and participation of families and individuals in the program.

ALTERNATIVES:

City Council could choose not to approve this item; however that would limit the Food Bank's ability to raise capital to invest in agricultural production if the property is not a Food Bank asset and limit the ability for the Food Bank to provide food to families and individuals living in the city of San Antonio in need of food assistance.

FISCAL IMPACT:

In compliance with Chapter 37 of the City Code and Chapter 272 of the Local Government Code the property was advertised for sale to the public. The subject property was advertised in the San Antonio Hart Beat on Wednesday, February 8, 2017 and Friday, February 10, 2017. The San Antonio Food Bank submitted the only bid for \$250,000.00. The revenues associated with the sale of this property will be deposited into the FY2017 General Fund. The City will provide the Food Bank the \$250,000 revenue received via the sale of the

approximate 23.55 acre tract of land used as an urban farm.

RECOMMENDATION:

Staff recommends approval of the request to A) Declare as surplus and sell 23.30 acres of unimproved property within the Southwest Business & Technology Park to the San Antonio Food Bank for \$250,000.00; B) Terminate a 20-year lease agreement with the San Antonio Food Bank for the use of an approximate 23.55 acre tract of land for use as an urban farm project in Council District 6; and C) Authorize a \$250,000 agreement with the San Antonio Food Bank to provide to the San Antonio Food Bank for the distribution of meals and food to families and individuals living in the city of San Antonio in need of food assistance.

The Planning Commission reviewed the request and recommended approval to declare as surplus the 23.30 acre unimproved tract of land in the Southwest Business & Technology Park at its regular meeting on April 12, 2017.