



# City of San Antonio

## Agenda Memorandum

**File Number:** 19-1121

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**Agenda Item Number:** 10.

**Agenda Date:** 1/23/2019

**In Control:** Planning Commission

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**DEPARTMENT:** Transportation and Capital Improvements

**DEPARTMENT HEAD:** Razi Hosseini, P.E., R.P.L.S, Interim Director

**COUNCIL DISTRICTS IMPACTED:** 3

### **SUBJECT:**

Disposition: Release of a clause from the deed for a parcel located at 2903 South New Braunfels Avenue

### **SUMMARY:**

A resolution supporting the release of a clause known as a Right of Re-Entry from the deed for a vacant parcel located at 2903 South New Braunfels Avenue (former location of Fire Station No. 20), in Council District 3, previously sold and conveyed to Scott Caroselli.

### **BACKGROUND INFORMATION:**

In 2012, Scott Caroselli, a local developer, had petitioned the City of San Antonio to purchase the vacant parcel located at 2903 South New Braunfels Avenue (former location of Fire Station No. 20). Upon vetting the property through the canvassing process and determining as surplus, the property was advertised to the public on the City's website as well as in the local newspaper. Mr. Caroselli was the sole bidder. On October 11, 2012, City Council approved the sale through Ordinance No. 2012-10-11-0803. At that time, a clause was inserted into the deed, which stipulated that the conveyance of the land was contingent on the property being developed within two years of the sale, which would have been in October 2014. To date, the development commitment has been unfulfilled.

Mr. Caroselli is now interested in selling the land to an interested buyer; however, he cannot do so with the existing clause in place. Therefore, he has requested that the City release the Re-Entry clause.

**ISSUE:**

This resolution supports the release of a clause known as a Right of Re-Entry from the deed for a vacant parcel located at 2903 South New Braunfels Avenue (former location of Fire Station No. 20), in Council District 3, previously sold and conveyed to Scott Caroselli.

In 2012, Scott Caroselli, a local developer, had petitioned the City of San Antonio to purchase the vacant parcel located at 2903 South New Braunfels Avenue (former location of Fire Station No. 20). Upon vetting the property through the canvassing process and determining as surplus, the property was advertised to the public on the City's website as well as in the local newspaper. Mr. Caroselli was the sole bidder and the property was sold for \$5,000 as approved by City Council by Ordinance No. 2012-10-11-0803. A clause was inserted into the deed, which stipulated that the conveyance of the land was contingent on the property being developed within two years of the sale, which would have been October 11, 2014.

To date, the development commitment has been unfulfilled. As per the clause, if land remains undeveloped after two years, the City could exercise its right to Re-Enter the property; however, it would require purchasing the land at current market value of \$49,500.00. The land is 0.106 of an acre or 4,620 square feet and is encumbered by heritage trees.

Mr. Caroselli is now interested in selling the land to an interested buyer; however, he cannot do so with the existing clause in place. Therefore, he has requested that the City release the Re-Entry clause.

**ALTERNATIVES:**

City Council could choose not to approve this request; however, this will prevent the owner from selling the property and may obligate the City to purchase the land at market value. Also, ownership of the land will re-commit the City to maintenance obligations.

**FISCAL IMPACT:**

There is no monetary transaction necessary for the release of the clause from the deed; therefore, there is no fiscal impact. The estimated fair market value of the property is \$49,500.00.

**RECOMMENDATION:**

Due to cost obligations associated with exercising the Right of Re-Entry including maintenance costs to follow; staff recommends approval of this resolution supporting the release of the Right of Re-Entry clause from the property deed.