



City of San Antonio

Agenda Memorandum

File Number:19-4367

Agenda Item Number: 12.

Agenda Date: 6/20/2019

In Control: City Council A Session

DEPARTMENT: Neighborhood & Housing Services Department

DEPARTMENT HEAD: Verónica R. Soto, AICP, Director

COUNCIL DISTRICTS IMPACTED: Council District 2

SUBJECT:

Ordinance authorizing the Sale of properties owned by the Urban Renewal Agency (OUR SA) located at 302 Runnels, 203 Edgar, and 205 Edgar to Jaime and Jessica Perez.

SUMMARY:

Ordinance authorizing for the sale and conveyance of 0.36 acres located at 302 Runnels, 203 Edgar, and 205 Edgar in Council District 2 to Jaime and Jessica Perez for \$6,500.00 and all related closing costs.

BACKGROUND INFORMATION:

OUR SA staff received a bid from Jaime and Jessica Perez, owners of United Controls LLC, for the purchase of 302 Runnels, 203 Edgar, and 205 Edgar. The purpose of this acquisition is to provide additional space for equipment storage and for the new professional staff they are hiring for their technology integration business.

On January 16, 2019, OUR SA Commissioners approved the sale of the 302 Runnels, 203 and 205 Edgar to the highest bidder. According to the Local Governments Code - Urban Renewal Statute Chapter 374, the disposition of all real property owned by the Urban Renewal Agency (OUR SA) must be authorized by the Municipality.

Prior to review and authorization by the Municipality, the OUR SA Board directed OUR SA staff to follow the City vacant land sale process and also submit the required information to the Planning Commission for approval. The Planning Commission approved and recommended the disposition of these properties on May 22, 2019.

OUR SA purchased 0.36 acres of vacant unimproved tracts of land in 1991 and 1993 as part of the Fort Sam Gateway Urban Renewal Plan (URP). The Fort Sam Gateway URP expired in May of 2012, and these properties were never developed and have remained vacant since acquisition. These vacant properties have cost OUR SA approximately \$1,000 a year to maintain.

The tracts are comprised of 4 lots zoned Heavy Industrial (I-2) with Traffic Control and Parking Restrictions (EP-1). The zoning, together with the properties partial location in a flood plain, create difficult challenges to affordable housing developers.

Because the properties were acquired with HUD funds, an Environmental Review Record was prepared by Terracon Engineering in April 2019. The Record was reviewed and the properties were determined to be in compliance with the National Environmental Policy Act by Grants Monitoring on behalf of HUD.

ISSUE:

Under the Local Government Code - Urban Renewal Statute Chapter 374, the following properties owned by the Urban Renewal Agency (OUR SA) must have City Council's authorization to sale and convey: 302 Runnels, legally described as NCB 1217, Block 15, Lot 1; 203 Edgar, legally described as NCB 1217, Block 15, Lots 1A and 2A; and 205 Edgar, legally described as NCB 1217, Block 15, Lot 3A, in Council District 2.

Upon approval of this item, OUR SA staff will complete the disposition of the properties to the submitted offeror.

ALTERNATIVES:

City Council could choose not to approve this Ordinance which would prevent the disposition of these OUR SA properties, and not place the properties on the tax rolls; however, OUR SA would continue to be responsible for the maintenance of the properties. Approval of the disposition would allow the properties to be placed on the tax rolls to generate revenue for the City and other taxing entities.

FISCAL IMPACT:

Ordinance authorizing for the sale and conveyance of 0.36 acres located at 302 Runnels, 203 Edgar, and 205 Edgar in Council District 2 to Jaime and Jessica Perez for \$6,500.00 and all related closing costs.

The proceeds from disposition are considered "program income" and will be deposited back into the CDBG fund and used in accordance with Federal HUD policies. The sale of the properties will return them to the tax rolls which will generate property tax revenue for the City of San Antonio as well as other taxing entities.

RECOMMENDATION:

Staff recommends City Council authorize the sale and conveyance of 0.36 acres located at 302 Runnels, 203 Edgar, and 205 Edgar for \$6,500 and all closing costs.