



City of San Antonio

Agenda Memorandum

File Number:19-8373

Agenda Item Number: 20.

Agenda Date: 11/13/2019

In Control: Planning Commission

DEPARTMENT: Transportation & Capital Improvements

STAFF COORDINATOR: Cynthia Cantú, Management Analyst, (210) 207-4024,
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COUNCIL DISTRICT IMPACTED: Council District 1

SUBJECT:

Real Estate Disposition: Closure of the improved Karnes Street Public Right of Way

SUMMARY:

A Resolution recommending closing, vacating and abandoning the improved Karnes Street Public Right of Way located in New City Blocks 959 and 14164 in City Council District 1, as requested by Rio Perla Properties, LP, for a fee of \$487,650.00.

BACKGROUND INFORMATION:

Rio Perla Properties, LP (Petitioner) is requesting to close, vacate and abandon the improved Karnes Street Public Right of Way located within the Pearl District in New City Blocks 959 and 14164 in City Council District 1 as shown on Exhibit "A". The Karnes Street Public Right of Way consists of 0.429 acres (18,705 square feet).

Petitioner owns all abutting property to the Karnes Street Public Right of Way, which includes the former Samuels Glass Company building located at 221 Newell Avenue. Petitioner is requesting this closure to repurpose Karnes Street Public Right of Way into a pedestrian-friendly space with wide sidewalks and landscaping. Petitioner intends to redevelop the former Samuels Glass Company building, located on one of the abutting parcels, into a commercial mixed-use area that would accommodate retail, food & beverage, and an event space. If the closure is approved, Petitioner would provide a fire apparatus ingress/egress by means of an easement.

ISSUE:

This Resolution recommends closure, vacation and abandonment of the improved Karnes Street Public Right of Way located in New City Blocks 959 and 14164 in City Council District 1, as requested by Rio Perla

Properties, LP, for a fee of \$487,650.00.

Petitioner is requesting the closure, vacation and abandonment of the improved Karnes Street Public Right of Way located in New City Blocks 959 and 14164 in City Council District 1. The Karnes Street Public Right of Way consists of 0.429 acres (18,705 square feet). Petitioner owns the property at 221 Newell Avenue, which includes the former Samuels Glass Company building.

Petitioner is requesting this closure to repurpose Karnes Street Public Right of Way into a pedestrian-friendly space with wide sidewalks and landscaping. Petitioner intends to redevelop the former Samuels Glass Company building, located on one of the abutting parcels, into a commercial mixed-use area that would accommodate retail, food & beverage, and an event space. If the closure is approved, Petitioner would provide a fire apparatus ingress/egress by means of an easement. There was no opposition to the closures by City departments or utilities during the canvassing process.

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:

The Planning Commission could choose not to recommend this request; however, Rio Perla Properties, LP would not be able to accommodate the pedestrian amenities intended as part of the redevelopment of the former Samuels Glass Company building.

FISCAL IMPACT:

In compliance with Chapter 37 of the City Code, Section 37-2, fair market value of the improved public right-of-way was based on an independent professional appraisal as provided by Chapter 37, Section 2(g)(1) of the City Code. An independent appraisal was completed by Noble & Associates, Inc. on August 9, 2019 and the subject property was valued at \$975,000.00. Petitioner applied and was approved for ICR/IP waivers administered by the City's Center City Development & Operations Department (CCDO). Based on the proposed level of investment of \$25.5 million, the project is eligible for a 50% reduction of the closure fee in the amount of \$487,500.00. The net amount of \$487,650.00, which includes \$150.00 for administrative costs, will be deposited into the General Fund in accordance with the FY 2020 Adopted Budget.

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

RECOMMENDATION:

Staff recommends approval of this request to close, vacate and abandon the improved Karnes Street Public Right of Way located in New City Blocks 959 and 14164 in City Council District 1. The closure will allow Petitioner to move forward with the intended redevelopment of the former Samuels Glass Company building to include a pedestrian-friendly space with wide sidewalks.