



City of San Antonio

Agenda Memorandum

File Number:20-1719

Agenda Item Number: 26.

Agenda Date: 6/4/2020

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: Council District 1

SUBJECT:

An Ordinance approving the closure, vacation, and abandonment of an improved alley Public Right of Way located within block bordered by Broadway, 8th Street, Avenue B and 9th Street.

SUMMARY:

Consideration of an ordinance authorizing the closure, vacation and abandonment of an improved alley (0.1924 acres) located within the block bordered by Broadway, 8th Street, Avenue B and 9th Street, in Council District 1, as requested by CBMB Properties, L.L.C., for a fee of \$78,750.

BACKGROUND INFORMATION:

CBMB Properties, L.L.C, Petitioner, is requesting the closure, vacation and abandonment of an improved alley Public Right of Way located in NCB 450 and bordered by Broadway, 8th Street, Avenue B and 9th Street as shown on attached Exhibit A. The petitioner owns all abutting properties and, as partners, plans to invest approximately \$50 million to redevelop the entire block with the construction of a new mixed-use, midrise development to include a combination of multifamily, retail, and/or office uses that will include outdoor public amenities for the community. Plans also include the preservation and restoration of the 30,000-square-foot former Cavender showroom building located at 801 Broadway. The closure of the alley would facilitate the layout and full development of the new construction.

Signs have been posted and notices have been mailed to property owners within a 500-foot radius of the proposed closures.

The Planning Commission recommended approval of this request at its regular meeting on February 26, 2020.

ISSUE:

Staff is requesting the closure, vacation, and abandonment of the improved alley (0.1924 acres) located within a block bordered by Broadway, 8th Street, Avenue B and 9th Street, in Council District 1, as requested by CBMB Properties, L.L.C., and approval of a 75 percent reduction of the closure fee.

In accordance with Municipal Code, Chapter 37, signs were placed near the proposed closures, and letters sent to property owners identified within a 500-foot radius, to provide notice and public hearing dates of the proposed closures. This action is consistent with City Code and Ordinances, which require Planning Commission/City Council approval for the sale or disposition of City-owned or controlled real property.

The closure of the alley will facilitate temporary parking associated with the office building currently being constructed on the block immediately south and will be redeveloped within seven (7) years into an approximately \$50 million mixed-use, midrise project, along with related public improvements valued at or above the appraised value of the alley. The new development will include a combination of multifamily, retail, and/or office uses as well as significant enhancements to the sidewalk, landscape, and lighting within the City's right-of-way, above what is required by code. In addition, CBMB Properties, LLC will retain and rehabilitate the former Cavender showroom building located at the corner of Broadway and 8th Street.

The alley right of way was appraised for \$315,000 by Noble and Associates, Inc. on August 24, 2019. To facilitate the closure of the alley and planned redevelopment of the properties, CBMB requests a 75 percent reduction in the closure fee. With this reduction, the closure fee is \$78,750 plus a \$150 recording fee.

ALTERNATIVES:

City Council could choose not to approve the request to close, vacate and abandon the alley; however, if not approved, the right of way will remain underutilized and prohibit the redevelopment of the block as intended.

FISCAL IMPACT:

The fee established for the 0.1924 acres in right of way associated with the closing, vacating and abandoning of the improved alley is \$78,750.00, plus a \$150.00 recording fee. A total of \$78,900 will be deposited into the General Fund.

The action to close, vacate and abandon the improved alley will allow the property to be placed on the tax rolls, generating revenue for the City of San Antonio and other taxing entities, while reducing the City's maintenance obligation.

RECOMMENDATION:

Staff recommends approval of the ordinance closing, vacating and abandoning the improved alley Public Right of Way, in Council District 1 for a closure fee of \$78,750. The Planning Commission recommended approval of this request at its regular meeting on February 26, 2020.