



City of San Antonio

Agenda Memorandum

File Number: 14-2459

Agenda Item Number: 14.

Agenda Date: 11/6/2014

In Control: City Council A Session

DEPARTMENT: EastPoint and Real Estate Services

DEPARTMENT HEAD: Mike Etienne

COUNCIL DISTRICTS IMPACTED: 5

SUBJECT: Disposition: Sale of City-owned Property located at 1502 Fitch Street

SUMMARY:

An ordinance to declare as surplus the City's former Columbia Heights Learning Center, in Council District 5, an improved 0.66 acre tract of real property known as 1502 Fitch Street comprised of 0.53 of an acre out of Lots 5 through 12, Block 87, NCB 7957, and 0.13 acres out of a closed segment of Lardner Street. The sale includes the furniture, fixtures, and equipment and authorizes its sale to the Harlandale Independent School District for \$250,000.00.

BACKGROUND INFORMATION:

Under Municipal Code, all City property must be declared as surplus prior to the disposition of the property. Under this process, a request to declare property as surplus is submitted to the Office of EastPoint and Real Estate Services. The request and exhibits are then sent to City departments and utilities which provide services or construct infrastructure on the property. The departments and utilities respond if there is a need for the property or if the property can be disposed. Appraisals and surveys are completed if the property is determined to be surplus. The property is then presented to City Council for final authorization to declare the property as surplus and dispose of the property in accordance with Chapter 272 of the Local Government Code.

The Harlandale Independent School District (Petitioner) is requesting that the City of San Antonio declare as surplus and sell an improved tract of City-owned real property known as 1502 Fitch Street. The one-story facility consists of 8,263 square feet and sits on .66 acres. The Columbia Heights Learning center was closed on December 20, 2013 as part of the FY 2014 Adopted Budget to transition seven Department of Human Services (DHS) operated Adult Learning Centers to other purposes. Following this transition, the Department of Human Services, along with partnering City departments, assessed planned future uses for former learning center facilities. Through departmental canvassing, the City of San Antonio did not identify a proposed alternative use for the facility on 1502 Fitch Street and proposed to sell the facility with preference provided to organizations proposing to continue adult education related activities.

In accordance with Chapter 272 of the Local Government Code, the subject property was advertised to the general public in the San Antonio Express-News on Sunday, February 23, 2014 and Wednesday, February 26, 2014 for sealed bids. The property also was advertised on the City of San Antonio's website. A total of two bids were received and the City accepted a winning bid of \$250,000.00 from the Harlandale Independent School District. Petitioner owns Columbia Heights Elementary School located at 1610 Fitch which is adjacent to the subject property.

If approved, the Harlandale Independent School District plans to use the property for college readiness, an educational testing site, evening adult literacy and for Free Application for Federal Student Aid (FAFSA) Counseling.

ISSUE:

An ordinance to declare as surplus the City's former Columbia Heights Learning Center, in Council District 5, an improved 0.66 acre tract of real property known as 1502 Fitch Street comprised of 0.53 of an acre out of Lots 5 through 12, Block 87, NCB 7957, and 0.13 acres out of a closed segment of Lardner Street. The sale includes the furniture, fixtures, and equipment and authorizes its sale to the Harlandale Independent School District for \$250,000.00.

Petitioner owns Columbia Heights Elementary School located at 1610 Fitch which is adjacent to the subject property. If approved, the Harlandale Independent School District plans to use the property for college readiness, an educational testing site, evening adult literacy and for Free Application for Federal Student Aid (FAFSA) Counseling.

This action is consistent with the City Code and Ordinances, which require City Council approval for the disposition of any surplus City-owned real property.

ALTERNATIVES:

The alternative is to not approve the sale of this property. Staff does not recommend this alternative since the property would remain vacant and unused. Also, the City would have to continue its liability and maintenance of the vacant property. In addition, the Harlandale Independent School District would not be able to renovate the property and use it for educational purposes.

FISCAL IMPACT:

In compliance with Chapter 37 of the City Code, Section 37-2, fair market value of the subject property was based upon an independent State of Texas Certified Professional Appraisal Report in the amount of \$826,000.00 by Valbridge Property Advisors on January 20, 2014. The City accepted a sealed bid from the Harlandale Independent School District in the amount of \$250,000.00. The funds from this sale will reimburse \$27,500.00 to CDBG, \$18,000.00 to Certificates of Obligation debt, and the balance will be deposited in the General Fund.

RECOMMENDATION:

Staff recommends approval of this request to sell an improved tract of City-owned real property known as 1502 Fitch Street to Harlandale Independent School District for \$250,000.00.

The City of San Antonio's Planning Commission will consider this request at its regular meeting on October 22, 2014.

