



Legislation Text

File #: 21-2016, Version: 1

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability
AGENDA DATE: November 10, 2021
COUNCIL DISTRICT(S): 14
DEPARTMENT: Department of Public Works
EXECUTIVE: Majed Al-Ghafry

SUBJECT

A resolution **(1)** declaring approximately 3,280 square feet of undevelopable City-owned land unwanted and unneeded, located near the intersection of Main and South Akard Streets; **(2)** authorizing its sale to Main Street Investors Joint Venture, the abutting owner; and **(3)** authorizing a twenty-year operation and maintenance agreement with one five-year renewal option with Main Street Investors Joint Venture for the operation and maintenance of an existing second and third floor balcony and an existing ground level patio area - Revenue: General Fund (\$3,000.00) and Capital Gifts, Donation and Development Fund (\$342,000.00)

BACKGROUND

This item will **(1)** declare approximately 3,280 square feet of undevelopable City-owned land unwanted and unneeded, located near the intersection of Main and South Akard Streets; **(2)** authorizing its sale to Main Street Investors Joint Venture, the abutting owner; and **(3)** authorize a twenty-year operation and maintenance agreement with one five-year renewal option with Main Street Investors Joint Venture for the operation and maintenance of an existing second and third floor balcony and an existing ground level patio area. The land cannot be used independently under the current zoning or under applicable development control ordinances and should be sold only to the abutting owner.

The City entered into a forty-year lease with Main Street Investors Joint Venture ("Lessee") on January 2, 2003. Lessee now desires to purchase approximately 3,280 square feet of land ("lease area") which is improved with a three-story building, elevator, restaurant and basement and has been made part of the Lessee's abutting building. The improvements in the lease area cannot be separated from the Lessee's abutting building. Because the building serves no purpose for the City, there is no need for the City to retain the lease area.

In researching the potential sale of the lease area, several encroachments were discovered to be built outside the lease area. To cure the encroachments, Lessee shall enter into an agreement for the continued management, maintenance and operation of the developed areas outside the current lease

area.

This property will be conveyed with a restriction prohibiting the placement of industrialized housing and a reservation of all oil, gas and other minerals in and under the property.

The purchase price is based on an independent appraisal. This property will return to the tax rolls upon conveyance.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 20, 2002, City Council authorized a forty-year Lease Agreement by Resolution No. 02-3348.

On November 4, 2021, the Park and Recreation Board authorized the sale and an operation and maintenance agreement.

FISCAL INFORMATION

Revenue: General Fund (\$3,000.00) and Capital Gifts, Donation and Development Fund (\$342,000.00)

OWNER

Main Street Investors Joint Venture

Thomas Taylor, Partner

MAP

Attached