



## AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting June 27, 2023  
Second reading Ordinance for the City Council Meeting of July 18, 2023

**DATE:** June 27, 2023  
**TO:** Peter Zaroni, City Manager  
**FROM:** Heather Hurlbert, CPA, CGFO Interim Assistant City Manager  
[Heatherh3@cctexas.com](mailto:Heatherh3@cctexas.com)  
361-826-3227

Ordinance abandoning, vacating, and closing a 0.26 acre (11,158 square feet) tract of public right-of-way City property located at the intersection of Corona Drive and Flynn Parkway

### **CAPTION:**

One-reading Ordinance abandoning, vacating, and closing a 0.26 acre (11,158 square feet) tract of public right-of-way located approximately 100 feet north of the intersection of Corona Drive and Flynn Parkway per the request of an adjoining property owner and payment of an amount equal to the appraised value of \$8,500.00.

### **SUMMARY:**

Ordinance abandoning, vacating, and closing a 0.26 acre (11,158 square feet) tract of public right-of-way located approximately 100 feet north of the intersection of Corona Drive and Flynn Parkway described in Exhibit "A" to the adjoining property owner for the development of a Business Select Hotel.

### **BACKGROUND AND FINDINGS:**

The proposed project being brought forward is a business-select hotel on a 2-acre property located at the intersection of Corona Drive and Flynn Parkway. The hotel, named Atwell Suites, will have 96 suites, a full-service bar, as well as co-working spaces and meeting rooms that guests can use. To ensure the success of this development, the City's Economic Development Department (EDD) is facilitating the proposed abandoning, vacating, and closing of a 0.26-acre (11,158 square feet) tract of public right-of-way City property. The project has received full funding and is expected to start construction in the Fall of 2023.

Rajesh Panchal, the developer of the Atwell Suites, approached the City to purchase the Corona Drive right-of-way and the adjacent tract of land to optimize his hotel development. Corona Drive was changed as part of Bond 2014 resulting in the removal of the street, curb, and sidewalks within the right-of-way and surplus property.

The City's Economic Development Department has worked and collaborated with the Legal Department, Public Works Department, Development Services Department, and Planning

Department and has come forth with a recommendation that the highest and best use for this property would be to allow the developer to purchase this property and incorporate it into the project site. Due to the small and irregular shape of the triangle lot, setback and parking lot requirements for development, ingress/egress issues, and the limited ability to construct a structure on the right-of-way lot, there is little to no use for the land with only use being to the adjacent landowner. The limited uses could be to optimize parking or to complement site plans with potential beautification to the landscaping of the area.

Upon completion, this project will increase the City's tax revenue through ad-valorem tax, hotel occupancy tax, and sales tax. Moreover, it will transfer the responsibility of maintaining the City property to the new owner, reducing maintenance expenses for the City.

### **ALTERNATIVES:**

The Council has the option to continue maintaining the 0.26 acre tract of public right-of-way City property instead of abandoning, vacating, and closing it.

### **FISCAL IMPACT:**

The City is set to receive \$8,500 from the sale of the property and will profit from not having to maintain the maintenance associated with the property.

### **Funding Detail:**

Fund:

Organization/Activity:

Department:

Project # (CIP Only):

Account:

### **RECOMMENDATION:**

City Staff recommends approving the abandonment, vacation, and closure of a 0.26 acre public right-of-way City property. This proposal is an excellent example of an economic development infill project that will activate an underutilized tract of land. The utility easement will remain intact, and no new City infrastructure or services will be needed. The City's maintenance responsibilities will be eliminated, and the land will be developed.

### **LIST OF SUPPORTING DOCUMENTS:**

Ordinance

Exhibit A

Map

Appraisal Report

PowerPoint Presentation