



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting December 10, 2019
Second Reading Ordinance for the City Council Meeting December 17, 2019

DATE: December 2, 2019
TO: Peter Zaroni, City Manager
FROM: Bill Mahaffey, Director of Gas
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826-1801

Sale of City's interest in vacant lot at 926 St. Bernard

CAPTION:

Ordinance approving the sale of City's partial interest in the lot of approximately 0.1993 acres at or near 926 St. Bernard, Corpus Christi, Texas for \$7,500.00 to Strategic Investment Solutions, LLC.

SUMMARY:

This ordinance authorizes the sale of the City's interest in the vacant lot at 926 St. Bernard with the exception of the Utility easement which will remain under the City's ownership. The Gas Department currently operates a 6 inch gas line within the remaining easement.

BACKGROUND AND FINDINGS:

The City acquired a gas pipeline in the Flour Bluff area from South Shore Pipeline in 2008. As part of the pipeline acquisition, the City acquired an interest in the vacant residential lot at 926 St. Bernard. Our research indicates that the City acquired 37.5% interest in the lot. Title records indicate that the co-owners of the lot are the City of Corpus Christi, Strategic Investment Solutions, LLC and Mighty Oak Energy, LLC. Strategic Investment Solutions desires to purchase the City's interest in the lot. The Gas Department has no need for the lot other than to maintain the utility easement. The Nueces County Appraisal District records valued the lot at approximately \$29,000 in 2015. Currently there is a 6 Inch gas line inside the easement that will remain under the City's ownership and a 10 Inch abandoned gas main that is not needed by the Gas Department.



ALTERNATIVES:

The City can alternatively keep and maintain the lot with the shared interest, negotiate a price to purchase the remaining interest from Strategic Investment Solutions, LLC, or list the property and sell it to a 3rd party. These options would have to be renegotiated with Strategic Investment Solutions, LLC.

FINANCIAL IMPACT:

The approval of the sale of the City’s interest in the vacant lot at 926 St. Bernard produces \$7,500.00 in revenue for the City’s Gas Department Operating Fund No. 4130.

Funding Detail:

Fund:	4130 Gas Fund
Organization/Activity:	34000 Gas Administration
Mission Element:	888
Project # (CIP Only):	N/A
Account:	343590 Sale of Scrap/City Property

RECOMMENDATION:

Sell the City’s interest in the lot to Strategic Investment Solutions, LLC.

LIST OF SUPPORTING DOCUMENTS:

- Ordinance
- Unimproved Property Contract
- Exhibit showing location