



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting May 18, 2021
Second Reading Ordinance for the City Council Meeting of May 25, 2021

DATE: May 18, 2021
TO: Peter Zanoni, City Manager
FROM: Jeffrey Edmonds, P. E., Director of Engineering Services
jeffrey@cctexas.com
(361) 826-3851

Ordinance Declaring City Property as Surplus and Permitting its Sale to the Public

CAPTION:

Ordinance declaring four City owned vacant lots located at 429 Marguerite Street, 502 18th Street, 508 18th Street and 2034 Mary Street as surplus property, authorizing sale to the public, and authorizing execution of the deeds and any related documents necessary to complete the sale and conveyance of the properties.

SUMMARY:

This item declares four City owned vacant lots as surplus property for future sale. The City plans to sell the tracts located at 429 Marguerite Street, 502 18th Street, 508 18th Street and 2034 Mary Street to eliminate maintenance responsibilities and expenses as they have remained vacant for more than 15 years. No City departments have expressed interest in utilizing the properties for any current or future needs. The City has received notification of an interested party for the four vacant lots.

BACKGROUND AND FINDINGS:

The City currently owns four properties that have no current or future use for any City purpose. The City acquired the property at 429 Marguerite Street via a tax resale in 2004. The City acquired the property at 502 18th Street in 2003 and the properties at 508 18th Street and 2034 Mary Street in 2006.

In July 2015, the City declared surplus and authorized the sale of the properties at 502 18th Street, 508 18th Street and 2034 Mary Street because the properties were not used as originally intended for the Garcia Arts Center Area Street Improvements project. The properties at 502 and 508 18th Street were subsequently sold in January 2019 to the Community Development Corporation of Brownsville but were deeded back to the City in May 2020 due to lack of development in compliance with a reversion clause. Due to the lack of use and no expressed interest by City departments for future use of these four lots, the City recommends declaring the properties as surplus for potential sale to the public. The sale of the properties would eliminate the annual maintenance responsibilities and expense of \$500.00 per property for mowing and removing debris.

The City has historically sold property by public sealed bid, which is permitted by the Texas Local Government Code, Section 272.001. This requires the City to advertise the sale twice in the local

newspaper, wait 14 days, and then open the sealed bids.

The Nueces County Appraisal District have the properties valued as listed below:

Address	Appraisal Value
429 Marguerite Street	\$4,500.00
505 18 th Street	\$21,441.00
508 18 th Street	\$8,934.00
2034 Mary Street	\$3,450.00
Total	\$38,325.00

City staff recommends using these values as the starting minimum bid.

ALTERNATIVES:

The City could keep the properties for future use or exchange but will continue to be responsible for maintaining the properties that are vacant and provide no current benefit.

FISCAL IMPACT:

There is no fiscal impact with this item. If the properties are bid on and sold, the revenues will be appropriated to the General Fund.

FUNDING DETAIL:

Fund: 1020 General Fund
Organization/Activity: 11020 General Government
Mission Element: 888 Revenues
Project # (CIP Only): n/a
Account: 343400 Property Rentals

RECOMMENDATION:

Staff recommendation is to declare the properties as surplus for future sale as there are no current or future intended purposes of use.

LIST OF SUPPORTING DOCUMENTS:

Location and Vicinity Map
Ordinance