



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting May 14, 2024
Second Reading Ordinance for the City Council Meeting May 21, 2024

DATE: May 14, 2024
TO: Peter Zanoni, City Manager
FROM: Ernesto De La Garza, Director of Public Works
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Ordinance abandoning, vacating, and closing 0.574-acres of unimproved right-of-way identified as Sand Dollar Avenue

CAPTION:

Ordinance abandoning, vacating, and closing 0.574 acres of unimproved public right-of-way for the Fair Market Value of \$380,000.00 identified as Sand Dollar Avenue, a portion of Block 27, Padre Island No.1, conditioned on Petitioner, Donny Shellenbarger, meeting specified conditions.

SUMMARY:

The purpose of this ordinance is to abandon, vacate and close a 0.574 acres (25,004 square feet) tract of unimproved portion of public right-of-way identified as Sand Dollar Avenue, as shown on the metes and bounds, beginning at a point in the south right-of-way of State Highway 361, the northeast corner of Lot 12B, Block 27, Padre Island No.1, a distance of 50.00 feet to a 5/8 inch iron rod set for the northeast corner of this tract, said point being in the south boundary of a 201.21 acres tract out of tract C and D, Padre Island No. 1 as illustrated in Official Public Records of Nueces County.

Section 49-12 of the City Municipal Code provides a process for an applicant to request a closure for a public streets, alleys, or other public ways. The process consists of the following nine (9) steps illustrated below:

1. A pre-application meeting with the Public Works department and designated representatives to review the request and provide initial guidance.
2. The official application request shall be filed with the department of public works containing the required application, fees, and supporting documents.
3. An application fee in the amount of one thousand dollars (\$1,000.00) shall be required for each application to close, abandon, vacate, regardless of final action on such application by City Council.
4. The applicant shall obtain an appraisal completed by a MAI certified appraiser who is pre-approved by the city.
5. Upon filing a complete application, the department of public works shall initiate a review process and prepare written recommendations regarding the current use and impacts caused by the closing, abandoning, vacating or altering of such public right-of-way.

6. When the above information has been reviewed by the city, the applicant shall be notified that the file is complete and informed of the date and time of council meeting.
7. The applicant shall be responsible for all mailing postage fees and costs to cover all notification and legal publications costs for requests that demonstrate adequate justification and that reach the public notification stage.
8. The city council may, at its sole right and option, elect to close, abandon, vacate, or alter right-of-way for a sum equal to the present market value.
9. Upon city council approval, the applicant shall be required to pay to the city the value of the right-of-way closed, abandoned, vacated or altered as determined by the appraisal.

This request is not for the sale of city-owned property. Rather, this is a request for the City to abandon an easement. Per city ordinance, the applicant pays the City to abandon the right-of-way easement, thus not legally required for competitive bid.

BACKGROUND AND FINDINGS:

Donny Shellenbarger, owner of Speedy Stop Food Stores, LLC filed a request to abandon, vacate and close a 0.574 -acre portion of Sandy Dollar, beginning at the south right-of-way of State Highway 361 on January 23, 2023. These 25,004 feet segments of Sandy Dollar Avenue are unimproved and currently not utilized by the public. Prior to submission of the application, Mr. Shellenbarger coordinated with Development Services Department an early assistance meeting to discuss the development of a Speedy Stop that will contribute to the Lake Padre Development in District 4. The petitioner is interested in purchasing the land that includes the unimproved right-of-way to build a private street to facilitate his shipments to his business. A review of the street closure request was conducted by City Departments and external Public Utility Companies to determine public interest.

The closing, abandonment and vacation of a section of the improved street will be conditioned upon the Owners' compliance with the following requirements:

- Payment to the City of \$380,000.00 for the Fair Market Value (FMV) of the improved and unimproved right-of-way pursuant to Corpus Christi Code 49-12.
- A 50' Utility Easement is retained in favor of the City.
- Upon approval by the City Council and issuance of the ordinance, all grants of the public street right-of-way closures will be recorded at the Owners' expense in the real property Official Deed and Map Records of Nueces County, Texas within 180 calendar days.

ALTERNATIVES:

The alternative is to deny the closure, abandonment, and vacation of request portion of Sand Dollar Avenue.

FISCAL IMPACT:

If the City agrees to release this portion of public right-of-way, Donny Shellenbarger, petitioner, is responsible for paying the City the Fair Market Value (FMV) of \$380,000.00 for the acquired property.

Funding Detail:

Fund: N/A
Organization/Activity: N/A

Department: N/A
Project # (CIP Only): N/A
Account: N/A

RECOMMENDATION:

City staff recommend approval of the ordinance to abandon, vacate and close a 0.574 acres tract (25,004 square feet) of improved public right-of-way identified as Sand Dollar Avenue.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Exhibit
Appraisal
PowerPoint Presentation