



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 23

**Agenda Date:** February 1, 2024

**In Control:** City Council A Session

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**DEPARTMENT:** Public Works Department

**DEPARTMENT HEAD:** Razi Hosseini

**COUNCIL DISTRICTS IMPACTED:** District 5

**SUBJECT:**

Settlement of Kenedy Junction, Ltd. v. City of San Antonio Lawsuit and Real Estate Land Exchange: The declaration and conveyance of approximately 0.0617 acres of vacant land owned by the City of San Antonio to Kenedy Junction, Ltd. in exchange for the transfer and conveyance of approximately 0.475 acres of land owned by Kenedy Junction, Ltd. to the City of San Antonio and, acceptance of payment in amount of \$90,000 from Kenedy Junction, Ltd. to the City of San Antonio as part of the lawsuit settlement.

**SUMMARY:**

An ordinance authorizing the settlement of a lawsuit styled Kenedy Junction, Ltd. v. City of San Antonio; Cause Number: 2021CI17012 and declaration as surplus and conveyance of approximately 0.0617 acres of land adjacent to Mission Road and the San Antonio River, located within New City Block A-20 in Council District 5, to Kenedy Junction, Ltd. in exchange for the acquisition of approximately 0.475 acres of land adjacent to St. Mary's Street also within New City Block A-20 and, acceptance of payment in amount of \$90,000 from Kenedy Junction, Ltd. to the City of San Antonio as part of the lawsuit settlement.

**BACKGROUND INFORMATION:**

Kenedy Junction, Ltd., a developer of several tracts north of Roosevelt Park near the San Antonio Riverwalk, filed a lawsuit against the City alleging that it acquired from the Union Pacific Railroad fee simple title to the tract underneath (and above) commonly known as the S. St. Mary's Street Underpass. The parties reached an agreement to settle the claim through a land exchange and payment of \$90,000... The City of San Antonio will declare as surplus and convey approximately 0.0617 acres of land adjacent to Mission Road and the San Antonio River, located within New City Block A-20, to Kenedy Junction, Ltd. in exchange for the acquisition of approximately 0.475 acres of land in Council District 5, as shown on the attached land surveys and maps. The 0.0617 acres of City-owned land being conveyed to Kenedy Junction, Ltd. is a remnant property resulting from a previous street realignment. In exchange, Kenedy Junction, Ltd. will convey fee simple title to the 0.475 acres of land to the City of San Antonio while retaining ownership and use of the aerial rights and former railroad overpass in anticipation of planned commercial development on both sides of South St. Mary's Street and pay the City of San Antonio \$90,000.

#### **ISSUE:**

This ordinance authorizes the settlement of a lawsuit styled Kenedy Junction, Ltd. v. City of San Antonio; Cause Number: 2021CI17012 and the approval of the related land exchange whereby the City of San Antonio will declare as surplus and convey approximately 0.0617 acres of land adjacent to Mission Road and the San Antonio River, located within New City Block A-20, to Kenedy Junction, Ltd. in exchange for the acquisition of approximately 0.475 acres of land in Council District 5 and, acceptance of payment in amount of \$90,000 from Kenedy Junction, Ltd. to the City of San Antonio as part of the lawsuit settlement.

The City of San Antonio's Planning Commission recommended approval of this request at its regular meeting on December 13, 2023. This action is consistent with the City Code and Ordinances, which require City Council approval for the sale or disposition of City-owned or controlled real property.

#### **ALTERNATIVES:**

City Council could choose not to approve this request; however, the City of San Antonio and Kenedy Junction, Ltd. will be unable to exchange the parcels of land.

#### **FISCAL IMPACT:**

This ordinance authorizes the settlement of a lawsuit styled Kenedy Junction, Ltd. v. City of San Antonio; Cause Number: 2021CI17012 and approves the related land exchange whereby the City of San Antonio will declare as surplus and convey approximately 0.0617 acres of land adjacent to Mission Road and the San Antonio River, located within New City Block A-20, to Kenedy Junction, Ltd. in exchange for the acquisition of approximately 0.475 acres of land in Council District 5. This ordinance also approves acceptance of payment in amount of \$90,000 from Kenedy Junction, Ltd. to the City of San Antonio as part of the lawsuit settlement. These funds will be deposited into the Liability Insurance Fund.

**RECOMMENDATION:**

Staff recommends approval of the settlement of a lawsuit styled Kenedy Junction, Ltd. v. City of San Antonio; Cause Number: 2021CI17012 and related land exchange for the City of San Antonio to declare as surplus and convey approximately 0.0617 acres of land adjacent to Mission Road and the San Antonio River, located within New City Block A-20, to Kenedy Junction, Ltd. in exchange for the acquisition of approximately 0.475 acres of land in Council District 5 and payment of \$90,000 from Kenedy Junction, Ltd. to the City of San Antonio.