

**CITY OF SAN ANTONIO  
DEPARTMENT OF COMMUNITY INITIATIVES  
CITY COUNCIL AGENDA MEMORANDUM**

**TO:** Mayor and City Council  
**FROM:** Dennis J. Campa, Director, Department of Community Initiatives  
**SUBJECT:** Demolition of Kelly USA Building 3060  
**DATE:** December 15, 2005

**SUMMARY AND RECOMMENDATIONS**

This ordinance authorizes staff to execute a letter of consent to the Greater Kelly Development Authority (GKDA) stating that the City has no objections to the demolition of KellyUSA Building 3060.

Staff recommends approval of this ordinance.

**BACKGROUND INFORMATION**

Subsequent to the 1995 base closure of KellyUSA, a redevelopment plan and homeless assistance application was submitted by GKDA, the Local Redevelopment Authority, to the United States Department of Housing and Urban Development. The plan described the City's interest to act as a homeless assistance representative for distribution of property that included one bay of Building 3060.

Building 3060 is an 80 year-old warehouse located at Kelly USA that requires \$140,000 in repairs to the roof and fire suppression equipment and \$32,000 in annual maintenance fees. Additionally, this storage facility is not climatically controlled and has environmental issues associated with contaminated groundwater beneath the warehouse. According to a survey of homeless providers, the proposed cost would be prohibitive. Also given the condition of the facility, city departments do not have a purpose for its use.

In view of the costs and environmental issues, coupled with the fact that this facility is not required by the City or representatives of the homeless, City staff recommends that GKDA be allowed to proceed with its demolition plans for the building. GKDA currently has a tenant who wishes to construct new warehouse facilities in the space where Building 3060 currently stands.

**POLICY ANALYSIS**

Ordinance #85793 (1997) and ordinance # 87310 (1998) authorized the City to execute a Legally Binding Agreement (LBA) with the GKDA to receive leasehold possession of one bay of

Building 3060 from the Air Force in accordance with an Air Force Record of Decision (ROD) issued in 1997. Due to ensuing and lengthy litigation concerning the GKDA Homeless Assistance Plan, the LBA was never executed and the City did not take possession of any portion of Building 3060. Because the ROD reflects the City's stated interest in Building 3060 (in 1997), the Air Force has instructed the GKDA to obtain a letter of consent from the City stating that the City does not now object to the GKDA's plan for demolition of the building. The City incurs no legal or fiscal responsibility in executing such a letter of consent.

### **FISCAL IMPACT**

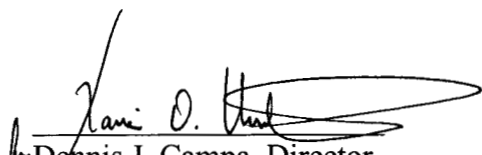
This ordinance requires no General Fund commitment.

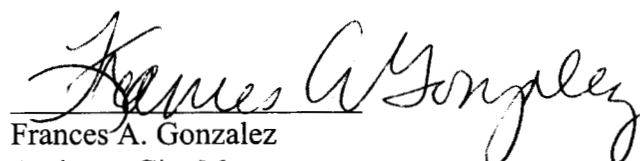
### **COORDINATION**

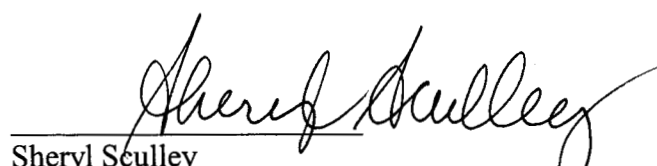
Coordination has occurred with the City Attorney's Office, Environmental Services, Asset Management, and Neighborhood Action.

### **SUPPLEMENTARY COMMENTS**

Provisions of the City's Ethics Ordinance do not apply.

  
Dennis J. Campa, Director  
Department of Community Initiatives

  
Frances A. Gonzalez  
Assistant City Manager

  
Sheryl Sculley  
City Manager