




It's real.

MEMORANDUM

To: City of Seguin Mayor and Council

From: Andy Quittner, Interim City Attorney 

Date: May 24, 2023

Re: Resolution authorizing the use of eminent domain in the purchase of a lot for the Walnut Branch Wastewater Project Phase III

In working with TRC in the final design for Phase III of the Walnut Branch Wastewater Project, there is parcel of land located between Aldama and Hidalgo Streets. This parcel lies along the hike and bike trail but is otherwise landlocked and in the Walnut Branch flood plain area. The City already owns all of the other parcels from Juarez to where Aldama turns toward the creek. Most of these lots were obtained during a U.S. Corps of Engineers project or the Hike and Bike Trail Project. The lot in question is burdened by an easement that the City obtained during the Corps of Engineer project. Since the Corps does not hold title to the property, they cannot grant access to the City to place the sanitary sewer line under their easement.

Getting access and rights to this property has, in the past, been difficult. It is owned by Bank of America – as successor in interest to NBC Bank – Seguin (which no longer exists). From everything we can tell, NBC Bank foreclosed on the last individual owner of the property, around September 1989. NBC Bank became inactive sometime before June 1, 1990, and Bank of America became the successor bank in interest. Bank of America acknowledges that they have some ownership interest in the property, but they have no supporting documentation. As a result, Bank of America is not willing to grant anything other than a quit claim deed (an uninsurable interest that is problematic for title) if that. City staff has spent a lot of time trying to track down a party at Bank of America that could be responsive but has not been successful in accomplishing any tangible goal.

It is in the City best interest to clean up title for this property by obtaining a judicial deed through eminent domain. To do this City staff will have the property appraised and then file the appropriate proceedings.