

CITY OF HOUSTON - CITY COUNCIL

Meeting Date: District C Item Creation Date: 7/9/2020

HPW20PDP50 Right of First Refusal Agreement for Home Elevation Project 4419

Breakwood Drive

Agenda Item#:

Background:

<u>SUBJECT:</u> Right of First Refusal Agreement for Flood Mitigation Assistance Home Elevation Project between the City of Houston, and the property owner at 4419 Breakwood Drive, Houston, Texas 77096-3504.

RECOMMENDATION: (SUMMARY) Adopt an ordinance approving and authorizing acceptance of the Right of First Refusal Agreement for Completion of Flood Mitigation Assistance Home Elevation Project between the City of Houston and the property owner at 4419 Breakwood Drive, Houston, Texas, 77096-3504 and allocate funds.

PROJECT NOTICE/JUSTIFICATION: The Flood Mitigation Assistance Grant for 42 flood-prone homes was awarded to the City of Houston on the behalf of the homeowners. On September 28, 2016, City Council passed Ordinance No. 2016-0735 approving an agreement between the City of Houston and Texas Water Development Board for administering the Grant and to receive funds as subapplicant from the Texas Water Development Board for reimbursement of the cost to complete the elevation of the floodprone homes up to \$14,846,975.92 for 42 approved homes.

The City of Houston adopted Ordinance 2018-0027 on January 10, 2018, authorizing the Home Elevation Agreement between the property owner and Titan Lifetime Foundations, LLC and Linda Heaner d/b/a Absolute Concrete. The Home Elevation Agreement required the homeowner to pay for all work which was non-eligible under the grant (an additional 0.5 feet of elevation, an upgrade to split-faced block and capstone, and an additional 175 sq. ft. of deck/landing) prior to construction because it is a federal requirement that no liens or encumbrances can be placed on the property for non-payment. The homeowner paid the non-eligible amount to the contractor. Soon after, the contractor experienced financial trouble and could not complete the work. The owner of the contracting company passed away during this time leaving no recourse for the property owner. Because the non-eligible grant work is not covered by the required bond, the homeowner had no other options. Houston Public Works desires to assist the Homeowner to complete the unfinished non-eligible work, and, in consideration of such funding, the homeowner has agreed to grant the city the Right of First Refusal to purchase the property, and agreed to comply with certain responsibilities during the term of the Agreement.

This Council action authorizes payment in the amount of \$32,530.00 for the non-elevation costs provided in the bid of the new contractor, Arkitektura Development, Inc., contained within the Home Elevation Agreement adopted on February 27, 2019 by Ordinance 2019-0129 and execution and acceptance of the Right of First Refusal Agreement.

ACTION RECOMMENDED: Adopt an ordinance approving and authorizing acceptance of the Right of First Refusal Agreement for Completion for Flood Mitigation Assistance Home Elevation Project between the City of Houston and the property owner at 4419 Breakwood Drive, Houston, Texas, 77096-3504 and allocate funds.

FISCAL NOTE: Funding for this item is included in the FY2021 Adopted Budget. Therefore, no Fiscal Note is required as stated in the

Financial Policies.

-DocuSigned by:

7/30/2020

Carol Ellinger Haddock, P.E.

Director

Houston Public Works

Prior Council Action:

Ordinance 2016-0735, dated 09-28-2016 Ordinance 2018-0027, dated 01-10-2018 Ordinance 2019-0129, dated 02-27-2019

Amount of Funding:

\$32,530.00 - Building Inspection Fund (2301)

Contact Information:

Jedediah Greenfield Assistant Director (832)395-3218

ATTACHMENTS:

Description

Prior Council Action Ordinance 2016-735
Prior Council Action Ordinance 2018-27
Prior Council Action Ordinance 2019-129
Ownership Information Form & Tax Report
Tax Memo
Funding Verification 2301
Funding Documents

Type

Backup Material
Backup Material
Backup Material
Backup Material
Backup Material
Financial Information
Financial Information