



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 3/23/2022

District D

Item Creation Date: 2/16/2022

HCD22-22 Hwy 288 and E. Orem Drive

Agenda Item#: 15.

Background:

The Housing and Community Development Department (HCDD) recommends Council approval of an Ordinance authorizing an Agreement for Option to Purchase Real Property between the City of Houston (City) and Quasar City Park LTD (Seller) for the purchase of 14.946 acres of land for \$12,569,893.00, to develop affordable owner-occupied homes. The land is located on the east side of State Highway 288 just south of East Orem Drive, Houston, Texas 77047 known as 288 and Orem (the Property). The acquisition and development of the Property will be supported by the HCDD Harvey Single Family Development (HSFD) Program, which is funded by Community Development Block Grant - Disaster Recovery 2017 (CDBG-DR17) funds.

288 and Orem will be a new construction project of single-family homes in the South Acres/ Crestmont Park neighborhood. This purchase will increase Houston's housing stock by approximately 225 townhomes. A minimum of 51% of the total homes will be sold to low- to moderate-income homebuyers at 80% Area Median Income or below. This project is aligned with the City's Hurricane Harvey Recovery efforts to invest in Transit-Oriented Communities, and create affordable housing opportunities for homebuyers impacted by Hurricane Harvey to purchase storm resilient homes in desirable neighborhoods in the city.

The Property comprises 14.946 acres of land situated at Hwy 288 and E. Orem Drive, Houston, Texas. The Purchase Price is \$12,369,893.00, plus approximately \$200,000.00 for other costs, as shown in the chart below.

The Seller understands that there is no obligation to sell the Property under the HSFD Program, but the Seller does so voluntarily. The City's power of eminent domain will not be used. The purchase of the Property is subject to environmental clearance from the U.S. Department of Housing and Urban Development (HUD) and acquisition purchase reimbursement approval by the Texas General Land Office (GLO). The following is a breakdown of expected costs:

| Sources | Amount | Uses |
|--------------|------------------------|--|
| CDBG -DR17 | \$12,369,893.00 | Up to Acquisition of Land |
| CDBG -DR17 | \$200,000.00 | Estimated Due Diligence, maintenance, and pre-development and planning costs |
| Total | \$12,569,893.00 | Estimated Total |

No fiscal note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on February 15, 2022.

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Keith W. Bynam

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Keith W. Bynam, Interim Director

Prior Council Action:

02/03/2021 (O) 2021-93

07/21/2021 (O) 2021-627

Amount and Source of Funding:

\$12,569,893.00 - Federal State Local – Pass through Fund (5030)

Contact Information:

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ATTACHMENTS:

Description

Fact Sheet

Public Meeting

Type

Backup Material

Public Meeting

PUBLIC NOTICE
PNFDF
Flood Map
LOI
Legal Request
Memo
Ordinance 2021-93
Ordinance 2021-627

PUBLIC NOTICE
Backup Material
Backup Material
Backup Material
Backup Material
Backup Material
Ordinance/Resolution/Motion
Ordinance/Resolution/Motion