

**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 10/17/2023

District H

Item Creation Date: 9/27/2023

25CF131 Transfer Velasco property to Houston Land Bank

Agenda Item#: 23.

Summary:

ORDINANCE approving and authorizing a Land Banking Agreement between the City of Houston, Texas, as Grantor, and **HOUSTON LAND BANK**, as Grantee, transferring approximately 4.5574 acres of land, known as the Velasco Incinerator Site, located at 800 North Velasco, Houston

Background:

RECOMMENDATION: Approve an Agreement between the City of Houston (the "City") and the Houston Land Bank, a Texas non-profit corporation (the "Land Bank") for transfer from the City to the Land Bank approximately 4.5574 acres, known as the Velasco Incinerator Site, located at 800 North Velasco, Houston, Texas for the Solid Waste Management Department (SWMD).

SPECIFIC EXPLANATION:

The General Services Department recommends that the City enter into an Agreement to transfer the Velasco Incinerator Site from the City to the Land Bank. The purpose of the transfer is to facilitate the application for an Environmental Protection Agency (EPA) grant that will cover environmental remediation costs. There will be no revenue to City as the appraisal of the property shows a negative value due to the environmental issues. The Velasco Incinerator Site is the location of a former incinerator that operated from the 1930s to 1950s, is east of the Houston central business district, south of Buffalo Bayou, and north of Navigation Boulevard, and approximately ten minutes from central Houston.

The City shall convey the Property to the Land Bank by special warranty. A survey and appraisal have been completed and a deed has been executed, therefore, City fees associated with the transfer are expected to be limited to County recording fees. This Agreement shall be effective upon countersignature by the City Controller and shall remain in effect for 60 months unless the Property is conveyed back to City or to a partner in accordance with the Agreement conditions. The City's hold harmless obligations shall survive the termination of this Agreement. The City will provide liability insurance pursuant to the City's program during the term of this Agreement. The City shall have the option at any time during the term of this Agreement to repurchase the Property.

The Land Bank and its partners are currently working to secure grant funding for environmental remediation of the Property. If awarded the grant, the Land Bank will proceed with the remediation in accordance with their normal procedures and in compliance with EPA and state requirements. The Land Bank may then convey the Property to a Partner under the following conditions: (i) the Partner will develop a plan for the Property (the "Velasco Project") that has tangible benefits for the local community and enhances the community's connection to Buffalo Bayou East Park. This may include but is not limited to parks and recreational facilities; multimodal transportation; cultural and public facilities or amenities; energy efficiency, sustainable building materials and resilience; biodiversity; water management; urban agriculture; or business incubation facilities; (ii) The purchase price that the Partner pays for the Property will be as agreed between Partner and the Land Bank and calculated in accordance with the terms of this Agreement; (iii) Any and all right-of-way easements required by the Velasco Project shall be conveyed by the Land Bank to the City; and (iv) The Velasco Project and the final conveyance of the Property to a partner must be approved by the City and such approval shall not be unreasonably withheld.

Upon conveyance of the Property to a Partner under the above conditions, the City's right to repurchase the Property shall permanently terminate. The Land Bank shall also have the right, at any time within the term of this Agreement, to require the City to exercise its right of repurchase by giving written notice of the requirement that it exercises its right to repurchase, in the amount of the Repurchase Price. In such case, the City must exercise its right to repurchase within 60 days after receipt of such notice. Failure of the City to exercise and close upon its right to repurchase within such 60 days shall result in termination of all rights of repurchase with respect to the Property.

Therefore, GSD recommends the transfer of the Velasco Incinerator Site property from the City to the Land Bank.

PROPERTY LOCATION: 800 North Velasco, Houston, Texas 77003

FISCAL NOTE:

There is no impact to the fiscal budget or no additional spending authority. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DIRECTOR'S SIGNATURE / DATE:

DocuSigned by:
C. J. Messiah, Jr 10/12/2023
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C. J. Messiah, Jr.
General Services Department

DocuSigned by:
Mark Wilfalk 10/12/2023
Mark Wilfalk
Solid Waste Management

Amount and Source of Funding:

No Funding Required

Contact Information:

Enid M. Howard, Council Liaison  for
General Services Department
Phone: 832.393.8023

ATTACHMENTS:

Description

- [Signed Coversheet](#)
- [MAPS](#)
- [Caption](#)

Type

- Signed Cover sheet
- Backup Material
- Other