



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date:

HPW20TRT15/ORDINANCE Appropriating Funds for the Dedicated Drainage and Street
Renewal Capital Fund- Ad Valorem Tax

Agenda Item#:

Background:

SUBJECT: ORDINANCE appropriating the sum of \$10,500,000.00 out of the Dedicated Drainage and Street Renewal Capital Fund – Ad Valorem Tax; approving and authorizing the purchase of land acquisitions and other interests in real property and payment of the costs of such purchases and/or condemnations, with associated costs for appraisal fees, title policies and services, expenses associated with removing improvements from the right-of-way, relocation expenses, recording fees and other services, in connection with negotiations to settle purchases, court costs and expert witness fees for and in connection with construction of facilities financed by the Dedicated Drainage and Street Renewal Capital Fund – Ad Valorem Tax; making findings and provisions related to the foregoing subject; and declaring an emergency.

Background: Approve an ordinance appropriating funds, and approving and authorizing payments for land acquisition costs, appraisal fees, title services, relocation expenses and/or other services for various street and storm drainage projects in connection with the construction of facilities financed by the Dedicated Drainage and Street Renewal Capital Fund – Ad Valorem Tax.

Houston Public Works (HPW) utilizes an appropriation allocation to expedite the real estate acquisition process associated with the construction of street and drainage projects in the Capital Improvement Plan (CIP). HPW periodically brings an action before City Council adding appropriations to this allocation. These funds are available for land acquisition costs, appraisal fees, title services, relocation expenses and/or other services necessary to implement construction for drainage and non-drainage projects. These construction projects include, but are not limited to, those described in Exhibit "A" attached.

HPW has instituted a process to ensure that real estate acquisitions are paid for from the appropriate funding source within the Dedicated Drainage and Street Renewal Fund - Ad Valorem Tax. Given the nature of most real estate acquisitions, the majority of these costs will be paid for out of the Dedicated Drainage and Street Renewal Fund - Ad Valorem Tax. While most of the routine expenses are paid against this allocation with no additional action required, parcels with a consideration that exceed the spending authority threshold set by the State law will be submitted to City Council as they are negotiated. The same appropriation ordinance will apply to all acquisitions made using these funds.

A separate blanket ordinance authorizing condemnation of parcels that cannot be negotiated as purchases may also be submitted for Council approval for each project as needed. This action is required for compliance with Chapter 21 of the Texas Property Code.

Therefore, it is recommended that a blanket appropriation ordinance be passed appropriating \$10,000,000.00 for the various street and storm drainage projects, finding a public necessity for the projects and approving and authorizing payments for land acquisition costs, appraisal fees, title policy premiums, relocation expenses, and/or other services in connection with negotiations to settle purchases, recording fees, and court costs and expert witness fees associated with condemnations for the projects and other services for various

street and storm drainage projects in connection with the construction of facilities financed by the Dedicated Drainage and Street Renewal Capital Fund – Ad Valorem Tax. This action will add \$10,000,000.00 to the Dedicated Drainage and Street Renewal Capital Fund – Ad Valorem Tax real estate allocation for use in related projects in the CIP. Additional appropriations will be made as needed until all parcels have been acquired. This action will expedite the process of acquiring land in support of the capital improvements projects.

The total amount of funds being appropriated for this action is as follows: \$10,000,000.00 for land acquisitions and \$500,000.00 for CIP Cost Recovery.

Fiscal Note

No Significant Fiscal Operating Impact is anticipated as result of this action.

DocuSigned by:

A handwritten signature in black ink, appearing to read "Randall V. Macchi".

10/29/2024

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Randall V. Macchi
Chief Operating Officer
Houston Public Works

N-320663-00RE-2

Amount and Source of Funding:

\$10,500,000.00

Dedicated Drainage and Street Renewal Capital Fund - Ad Valorem Tax
Fund 4046

Contact Information:

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ATTACHMENTS:

Description

SAP Documents

Project List

Type

Financial Information

Backup Material