



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

District A, District B, District C, District E, District F, District H, District J, District K

Item Creation Date:

HPW - 20FMS131 FY22 FMA Home Elevations Grant Agreement Acceptance (24 Homes)

Agenda Item#:

Background:

RECOMMENDATION: Approve an ordinance authorizing an agreement for the City of Houston to receive funds from the Texas Water Development Board (TWDB) for reimbursement of up to \$3,696,320.97 to complete the elevation of 24 flood prone structures as part of the Federal Emergency Management Agency Flood Mitigation Assistance (FMA) program; authorizing the Director or the Director's designee to accept and expend the grant funds as awarded, to extend the budget period, to apply for and accept all subsequent awards, if any, pertaining to the grant; and authorizing the Mayor to execute all related agreements with the approval of the City Attorney in connection with the grant for the project/performance period, not to exceed five years, approving the form of agreements between the City of Houston and Homeowners for Flood Mitigation Assistance Home Elevation Projects and related Escrow Agreements in substantially the form attached and delegating authority to the Mayor to execute the Agreements, establishing a maximum aggregate amount equal to the total FMA grant amount of \$3,998,901.79.

SPECIFIC EXPLANATION: Ordinance 2023-0208, approved March 29, 2023, authorized the submittal of a grant application through TWDB for the annual FEMA call for the FMA grant program. The grant program makes funds available to address mitigation of flooded properties that hold flood insurance policies through the National Flood Insurance Program (NFIP).

The City of Houston will use the grant funds to pay the eligible costs to elevate 24 pre-selected properties, or pre-selected alternate properties. Eligible activities include design, permitting, construction, and project management.

As sub-applicant of the awarded FMA grant, the City of Houston will be reimbursed for either 100%, 90%, or 75% eligible costs per property, depending on the NFIP loss of each property at the time of the grant application. Homeowners volunteered to participate in this program prior to the application.

Homeowners will be required to share in the cost of elevating their home if the City will be reimbursed less than 100% for the project. The cumulative homeowner share is \$288,172.21.

The City's costs for administering the grant and project management of the elevation projects are reimbursable except the City's cost share which is \$14,408.61. To facilitate payment of grant funds to the contractor, the City of Houston enters into agreement with the homeowner for expenses eligible under the grant (the Homeowner Agreement). The homeowner enters into a separate agreement with the elevation contractor, which they selected from a pool of pre-qualified companies. The City is not a party to the agreement between the homeowner and contractor, but that agreement is an exhibit to the Homeowner Agreement. If a homeowner elects to have services performed that are not grant eligible, the City and homeowner also will execute an Escrow Agreement. Through the Escrow Agreement, the homeowner advances to the City the expenses that are not grant eligible, and the City pays the contractor for those services upon completion.

HPW recommends City Council approve an Ordinance authorizing an agreement of acceptance of the grant award, accepting the Homeowner Agreements in substantially the form attached to this item and authorize the Mayor to execute and amend the agreements with the approval of the City Attorney. The contract effective date is February 15, 2024 with a current project completion of September 14, 2026. Any changes to the overall template due to changing federal requirements or other program changes will be brought back for Council approval. HPW will keep Council Members informed with quarterly status reports detailing Homeowner Agreements executed, construction progress, and completed elevations.

FISCAL NOTE: No fiscal note required on grant items.

Funding for this item is included in the FY26 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

Randall V. Macchi, JD
Director, Houston Public Works

Prior Council Action:

Ordinance 2023-208, Dated 3/29/2023

Amount and Source of Funding:

\$3,696,320.97 - Federal State Local - Pass Through Fund 5030

\$288,172.21 Fund 1021 – Grant Matching Fund

\$14,408.61 Fund 8300 – Water and Sewer System Operating Fund

Contact Information:

Name	Service Line	Contact Line
Roberto Medina, Assistant Director	DO-HPW HPW Council Liaison Office	832.395.2456
Maria Perez, HPW Agenda Coordinator	DO-HPW HPW Council Liaison Office	832.395.2282
David Wurdlow, Sr. Assistant Director	HPW – Financial Management Services	832.395.2054

ATTACHMENTS:

Description

City Finance Approval of RCA Ordinance 2023-0208 Agreement Property Locations

Type

Backup Material Backup Material Backup Material Backup Material