

AGENDA



Thursday, March 26, 2009

**Contract and Land Management
RECOMMENDATION FOR COUNCIL ACTION****Item No. 12**

Subject: Approve an ordinance authorizing the fee simple acquisition of Lots 39, 38, and 35, Yarrabee Bend South, Section 1, a subdivision in Travis County, Texas, and locally known as 7308, 7310, and 7316 Dixie Drive for the Streambank Restoration and Erosion Management Program, and waiving certain requirements of Chapter 14-3 (Relocation Benefits) of the City Code to allow payment of relocation benefits in accordance with federal regulations, in the amount of \$600,000.

Amount and Source of Funding: Funding in the amount of \$600,000 is available in the Fiscal Year 2008-2009 Capital Budget of the Watershed Protection and Development Review Department.

Fiscal Note: A fiscal note is attached.

For More Information: Lauraine Rizer 974-7078; April Thedford 974-7141

This ordinance will authorize the City Manager to acquire fee simple interests in Lots 39, 38, and 35, Yarrabee Bend South, Section 1, for the Streambank Restoration and Erosion Management Program and pay relocation benefits under federal guidelines in 49 CFR Part 24 and the Uniform Relocation and Real Property Acquisition Act (URA) in lieu of Chapter 14-3 (Relocation Benefits) of the City Code. The purpose of the Streambank Restoration and Erosion Management Program is to reduce the impact of flooding, erosion and water pollution on our community in order to protect lives, property and the environment and preserve the natural character of our creek. This project is adjacent to the Hazard Mitigation Grant Program previously approved and administered by the City. Under the terms of the URA, the City will negotiate a contract for an amount not less than the property's current fair market value, noting comparable sales of the property, as determined by an independent appraiser.

The City will also pay relocation benefits according to federal regulations in 49 CFR Part 24 and the URA in lieu of Chapter 14-3 of the City Code. Under Chapter 14-3, the City may not pay more than \$22,500 for a comparable replacement dwelling that is decent, safe, and sanitary and functionally equivalent. This cap has not been revised since Chapter 14-3 was adopted. Rising property values have made it difficult to find replacement housing within the \$22,500 cap and thus have delayed acquisitions. Removing the cap of \$22,500 for these transactions will allow the project to proceed on a timely basis because it will increase the number replacement dwellings that are available and within the monetary limit of the owner. In addition, the City will pay those necessary and reasonable closing costs incurred for the purchase of the replacement home and moving related expenses outlined by the URA.