Thursday, September 24, 2009

Contract and Land Management RECOMMENDATION FOR COUNCIL ACTION

Item No. 14

Subject: Approve an ordinance authorizing the fee simple acquisition of two lots described as 0.248 of an acre of land, more or less and 0.29 of an acre of land, more or less out of the Santiago Del Valle Grant, Abstract No. 24 in Travis County Texas, and locally known as 7901 Posten Lane and 7905 Posten Lane for the CARSON CREEK WATERSHED-INTEGRATED PROJECT IMPLENTATION HOEKE LN. BUYOUTS, and waiving certain requirements of Chapter 14-3 of the City Code to allow payment of relocation benefits in accordance with federal regulations, in the amount of \$274,000.

Amount and Source of Funding: Funding is available in the Fiscal Year 2008-2009 Capital Budget of the Watershed Protection Department.

Fiscal Note: A fiscal note is attached.

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

This authorization will allow the City Manager to acquire fee simple interests in 0.248 of an acre of land, more or less and 0.29 of an acre of land, more or less out of the Santiago Del Valle Grant, Abstract No. 24 in Travis County Texas for the Carson Creek Watershed 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 Carson Creek Watershed Integrated Project Implementation Hoeke Ln. Buyouts are adjacent to a construction project to upgrade the low water crossings and install a multiple culvert system on Hoeke Lane in order to protect lives and property. The Carson Creek Watershed Flood Hazard Mitigation Solutions Report identified this as one of the risks of flooding in Southeast Austin along the Carson Creek watershed. 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 fair market value for the two lots are \$60,000 and \$70,000 for a total acquisition price of \$130,000.

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, which equates to a replacement housing payment of \$62,000 for each of the properties and \$10,000 for moving expenses.