

## AGENDA



## Recommendation for Council Action

## AUSTIN CITY COUNCIL

Regular Meeting: March 22, 2018

Item Number: 018

## Office of Real Estate Services

Approve an ordinance authorizing the negotiation and execution of all documents and instruments necessary or desirable to purchase in fee simple approximately 50 properties at high risk of flooding within the Onion Creek Watershed in a total amount not to exceed \$25,000,000, establishing acquisition and relocation guidelines, and waiving requirements of City Code Chapter 14-3.

District(s) Affected: District 5

<b>Lead Department</b>	Office of Real Estate Services.
<b>Fiscal Note</b>	Funding in the amount of \$25,000,000 is available in the Fiscal Year 2017-2018 Capital Budget of the Watershed Protection Department. A fiscal note is attached.
<b>Prior Council Action</b>	<p>August 3, 2017- Council approved Ordinance 20170803-025 authorizing the City Manager to acquire ten flood-damaged properties in the vicinity of Pinehurst Drive and Wild Dunes Drive in the Onion Creek Subdivision.</p> <p><b>April 13, 2017-</b> Council approved Resolution 20170413-023 directing the City Manager to pursue the acquisition of ten flood-damaged properties in the vicinity of Pinehurst Drive and Wild Dunes Drive in the Onion Creek Subdivision.</p> <p><b>May 19, 2016-</b> Council approved Resolution 20160519-045 directing the City Manager to identify potential funding sources, estimated at no more than \$5,000,000, for the acquisition of flood-damaged properties in the vicinity of Pinehurst Drive and Wild Dunes Drive in the Onion Creek Subdivision..</p>

<b>For More Information</b>	Lauraine Rizer, Office of Real Estate Services, (512) 974-7078; Pam Kearfott, Watershed Protection Department, (512) 974-3361; Megan Herron, Office of Real Estate Services, (512) 974-5649.
<b>Council Committee, Boards and Commission Action</b>	The Environmental Commission voted to recommend immediate implementation of the flood risk reduction buyout project as recommended by staff at their December 6, 2017 meeting.

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### **Additional Backup Information:**

The Onion Creek Watershed has experienced severe flooding in 1998, 2001, 2013, and most recently, in October 2015. There are approximately 138 homes in the Onion Creek subdivision that are at risk of flooding from a 100-year flood event. Because of the risk of flooding, this area is ranked 4<sup>th</sup> on Watershed Protection Department's priority list for city-wide flood risk reduction projects.

In response to the 2013 Halloween Flood and at the direction of City Council (Resolution 20140515-028), the Watershed Protection Department initiated a comprehensive Onion Creek floodplain study to evaluate the flood risk reduction options within the Onion Creek subdivision. The study considered and evaluated the potential of installing detention ponds upstream of the project area, installing floodwalls within the impacted area, channel modifications and channel clearing, and buyouts of at-risk houses. The evaluation of each alternative was based on several criteria which included: the ability to cost-effectively reduce the risk of flooding to homes, the amount of time a project would require in order to be implemented, stakeholder input, the complexity of regulatory approvals, and environmental impacts. The conclusion of the study was that the buyout of houses at risk of flooding is the most effective flood risk reduction alternative for this area. The Watershed Protection Department concurs with the study's conclusion. The current cost estimate for the project is \$77,500,000. The project cost estimate includes all of the expenses for 147 homes, which is the 138 homes at risk of flooding and an additional nine that are nestled within the project area. The project cost estimate includes all expenses associated with the buyout, including, but not limited to, appraisals, acquisition and closing costs, replacement housing benefits and moving expenses, asbestos and lead testing, and abatement and demolition.

The Watershed Protection Department intends to proceed with a phased implementation of the proposed buyouts. Prioritization of the homes will be based on the degree of flood risk at each house, which is consistent with the City's implementation of buyouts in the Lower Onion Creek and Williamson Creek areas. Owners of eligible properties will have the option to participate in the buyout project.

At the direction of City Council (Ordinance 20170803-025), the Watershed Protection Department has already offered recovery buyouts to 10 homeowners in the Pinehurst neighborhood. The Watershed Protection Department currently has funding available to acquire approximately 50 properties at the next highest risk of flooding. Buyouts of the remaining 87 homes in the project area will proceed as

additional funding becomes available in the capital budget in future years or utilize existing funding should any of the first 50 owners decline to participate in the project.

As the buyouts proceed, the Watershed Protection Department will work with the neighborhood and other City departments to identify potential uses of the acquired properties that are compatible with their location in the floodplain.

The City will acquire these properties under the guidelines of the Uniform Relocation Assistance and Real Property Acquisition Policies Act. Authorization to acquire properties through condemnation proceedings is not included in this request.