

Meeting Date (?)	08/16/2016
Subject Matter * (?)	Consideration of bid and Tri-Party Agreement for residential reconstruction of 2303 Staunton Dri This must match rolling agenda entry
Department of Origin *	COMMUNITY DEVELOPMENT
Submitted By *	Eric Barton
Type of Meeting *	<input type="radio"/> BCD <input type="radio"/> Special <input checked="" type="radio"/> Regular
Classification *	<input type="radio"/> Public Hearing <input checked="" type="radio"/> Consent <input type="radio"/> Statutory <input type="radio"/> Regular
Ordinance *	<input checked="" type="radio"/> None <input type="radio"/> First Read <input type="radio"/> Second Read <input type="radio"/> First & Only Read
Strategic Initiative *	<input type="checkbox"/> Public Safety <input checked="" type="checkbox"/> Service <input checked="" type="checkbox"/> Economic Development <input type="checkbox"/> Infrastructure <input checked="" type="checkbox"/> Quality of Life
Agenda Item Description *	Consider approval and execution of a Tri-Party Agreement for demolition and reconstruction of a single family residential dwelling with handicap accessibility at 2303 Staunton Drive, Community Development (CD) project RFB #16-043, with the elderly homeowner household and project contractor, Quality Works Construction, Inc., in the amount of \$107,800.00, and a note with the homeowner household in the amount of \$109,006.79.

Summary Statement *

This project, RFB #16-043, is part of the City of Bryan's Community Development Services Department Housing Assistance Major Rehabilitation/Reconstruction Program. Funds for this project are from the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) grant. The purpose of this program is to assist eligible low and moderate income property owner-occupants with rehabilitating and/or reconstructing their homes by eliminating housing code violations and acute maintenance issues that affect health, safety, sustainability, energy efficiency, and accessibility for special needs households.

The existing dilapidated 1,574 square foot residential structure at 2303 Staunton Drive will be demolished because of the extent of deterioration, and a new home will be reconstructed on the same lot. The proposed replacement home will be a two-bedroom, one bath, approximately 1,166 heated square feet, and will include energy efficiency and sustainability features and handicap accessible elements in the design. CD staff has qualified the elderly homeowner household as an eligible recipient of housing assistance through the program's current guidelines. The household eligibility, project feasibility, and cost analysis were thoroughly reviewed with the applicant household prior to determining the project's affordability and the household voluntarily authorizing CD staff to move forward with the project.

Housing Rehabilitation/Reconstruction Program funds in the amount of \$109,006.79 will be used for this project, which includes the demolition/construction bid amount of \$107,800.00 and project related soft costs (title report, credit report, survey re-platting, filing fees, and building plans) of \$1,206.79 for which the homeowner is responsible. Funding assistance will be made through a secured note for the \$109,006.79 in project costs, which includes a thirty (30) year, zero percent (0%) interest repayment portion amount of \$74,006.79 and a zero interest, deferred portion of the note in the amount of \$35,000.00, which becomes due and payable at sale of property or transfer of title to an ineligible program recipient. The qualifying homeowner was counseled on the financing terms and conditions, which is documented to the project file and copies provided to the homeowner for their reference.

This project bid request (RFB #16-043) was made on 5/31/2016 and bids were received on 7/6/2016, with one (1) bidder responding. The responsive bidder, Quality Works Construction, Inc., also has been qualified as an approved contractor by Community Development Services housing staff, with successful performance in constructing other City/federally funded projects.

Staff Analysis & Recommendation *

Community Development Services Department staff recommends the approval and execution of the Tri-Party Agreement for demolition of a substandard, deteriorated structure and reconstruction of a new single family residential dwelling located at 2303 Staunton Drive, project RFB #16-043, with the elderly homeowner household and project contractor, Quality Works Construction Inc., in the amount of \$107,800.00, and approval of a Note with the homeowner household in the amount of \$109,006.79. This project includes providing aging-in-place accessibility element features for the household member. Funds for this activity have been approved through the City's FY2016 budget process, the City's five-year Consolidated Plan, and the annual Consolidated Action Plan.

If approved, this eligible elderly homeowner household will receive financial assistance to perform necessary demolition and reconstruction activities, provide handicap accessible design elements for the homeowner household, contribute to the preservation of property values in the neighborhood, prevent blighting influences, and sustain the City of Bryan affordable housing stock. \$109,006.79 of CDBG assistance will be repaid to the City by the homeowner, and will be available for future projects and program funding.

The existing home was constructed in the mid-1950s and is unfeasible to repair. The home exhibits foundation rot, water & termite damage, structural deflection & weakness, and failing mechanical systems. Based upon the age of the structure, costs related to compliance with lead-based paint rules will also be incurred.

If not approved, the homeowner household must either find alternate means to finance the rehabilitation or replacement of the existing home or allow the home to continue to deteriorate in its current dilapidated condition, contributing to neighborhood blighting conditions.

Options *

(In Suggested Order of Staff Preference)

1. Approve agreement for demolition and reconstruction
2. Deny approval of agreement and provide direction to staff

Funding Source *

CDBG funding as approved in the current FY2016 Community Development Services Budget.

Attachments

TriParty Agreement 2303 Staunton Reconstruction.docx	40.25KB
Real Estate Promissory Note 2303 Staunton Reconstruct.docx	31.51KB
Bid Tabs and Photos.pdf	437.64KB

Please detail attachments and note attachments available for viewing in City Secretary's Office:
Items 1 and 2 are combined in a singled PDF.

1. Bid Tabulation Form
2. Photos and Location Map
3. Tri-Party Agreement
4. Real Estate Promissory Note

Dept. Head Signature



Assie Bond

**Deputy City Manager
Signature**



Hugh R. Walker

City Manager Signature



City Attorney Signature



Janis K. Hampton