



**CITY OF TYLER
CITY COUNCIL COMMUNICATION**

Agenda Number: R-1

Date: January 24, 2007

Subject: Request that the City Council consider adopting a Resolution authorizing the conveyance of City-owned real property located at 1302 W. Paul Street and 1326 W. Paul Street and ratifying the award of bid for the reconstruction of nine (9) single family dwellings.

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Item Reference: Homeowner Rehabilitation and Reconstruction Program

As part of the City initiative to assist eligible low-income homeowners with bringing existing substandard housing units into compliance with local housing and building codes, the City sponsors a Homeowner Rehabilitation and Reconstruction program which is funded with CDBG and HOME funds. The primary purpose of the program is to assist in the removal of code violations and improve through rehabilitation efforts the long term, structurally sound housing stock of the City rather than to assist houses which will continue to be substandard following the infusion of program funds. Projects where the costs of all of the necessary repairs exceed the project budget and projects judged structurally and/or financially infeasible for rehabilitation will also be considered for reconstruction. Reconstruction involves the demolition of the existing substandard dwelling and the rebuilding of the dwelling unit on the same location if location is suitable for rebuilding.

On December 14, 2005, the City Council authorized the City Manager to solicit bids for the rehabilitation of twenty-one (21) substandard dwellings in an amount not to exceed \$35,000 per dwelling. However, it was determined that nine of the structures were financially infeasible for rehabilitation and were bid as reconstructions. The bids were awarded to the low bidder, Roger's Construction per the following:

Address:	1706 N. Englewood	1721 N. Moore	1302 Paul	1603 W. Nutbush
Contractors:				
Anderco Group, Inc.			\$80,000.00	
Carl Short Contracting	\$118,290.00	\$118,290.00	\$118,290.00	\$125,130.00
Rider Homes	Withdrew Bid	Withdrew Bid	Withdrew Bid	Withdrew Bid
Roger's Construction	\$72,208.50	\$71,415.00	\$73,002.00	\$73,002.00

Address:	1727 N. Ross	100 E. Mims	1602 N. Moore	321 E. Mims	1326 Paul
Contractors:					
Anderco Group, Inc.					\$86,000.00
Carl Short Contracting	\$118,290.00	\$129,260.00	\$134,260.00	\$134,260.00	\$130,260.00
Rider Homes	Withdrew Bid	Withdrew Bid	Withdrew Bid	Withdrew Bid	Withdrew Bid
Roger's Construction	\$74,589.00	\$72,208.50	\$82,673.00	\$80,914.00	\$81,793.50

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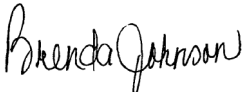
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Staff has determined that the lots of two of the previously listed reconstructions are too small for new construction which means that to complete those two projects, the City must find suitable replacement location sites where a reconstruction (new house) can be built. HUD allows the City to purchase the location site and do the building with funds from these programs and the owners are not required to sell their prior location.

On January 11, 2006, the City of Tyler purchased four (4) parcels of land located along Paul Street and one (1) parcel of land located along Gaston Avenue with CDBG funds in an on-going initiative to increase and provide home ownership for low-to moderate-income families who would otherwise not be able to afford ownership of safe and decent housing. Two lots at these locations could be used as replacement lots for the two reconstruction projects listed above and staff is requesting that the City deed Lot 13 (1302 W. Paul Street) and Lot 7 (1326 W. Paul Street) to these families as part of the Owner Rehabilitation/Reconstruction program.

RECOMMENDATION:

It is recommended that the City Council adopt a Resolution authorizing the conveyance of City-owned real property located at 1302 W. Paul Street and 1326 W. Paul Street and ratify the award of bid for the reconstruction of nine (9) single family dwellings

Drafted/Recommended By: 
Department Leader

Edited/Submitted By:
City Manager

RESOLUTION NO. R-2007-5

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS, AUTHORIZING THE CONVEYANCE OF THE CITY-OWNED REAL PROPERTY LOCATED AT 1302 & 1326 W. PAUL STREET; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Texas Constitution allows Texas cities to make donations and expenditures of money for a charitable purpose when that charitable purpose furthers a legitimate public purpose and sufficient controls are in place to guarantee that the donation will further that legitimate public purpose;

WHEREAS, the City Council finds that the development of low-income and moderate income housing is a legitimate public purpose; and

WHEREAS, the Texas Local Government Code Section 272.001(g) states that a political subdivision may sell, exchange, or otherwise convey land or interests to an entity, including individuals, for the development of low-income or moderate-income housing; and

WHEREAS, two individuals who have qualified for housing assistance in the City of Tyler Owner-Occupied Rehabilitation and Reconstruction Program own properties whereby the existing homes have been determined as ineligible for rehabilitation, and where reconstruction of new homes is required; and

WHEREAS, the currently owned lots are too small to build new homes on; and

WHEREAS, the City owns two lots at 1302 and 1326 W. Paul Street and these are identified as appropriate lots for building new homes; and

WHEREAS, the City desires to transfer ownership of the lots at 1302 and 1326 W. Paul Street to two individuals in furtherance legitimate public purpose of the development of low-income and moderate income housing; and

WHEREAS, Sufficient controls will be in place to assure and guarantee that the transfer of these lots will further the legitimate public purpose including the transfer of a fee simple title binding the owners to use the property as a principal place of residence and by including affordability periods in deed and lien documents as required by the United States Department of Housing and Urban Development.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS:

PART 1: That the City Council hereby authorizes the City of Tyler to execute any and all documents necessary for the City of Tyler to convey the following lots to two qualified homeowners: 1302 W. Paul Street, and more specifically described as Lot 13, Block 1, New City Block 357, Caspary Subdivision, as described in Volume 47, at page 608 of the Deed Records of Smith County, Texas; and 1326 W. Paul Street, more specifically described as Lot 7, Block 1, New City Block 357, Caspary Subdivision, as described in Volume 37, at page 608 of the Deed Records of Smith County, Texas.

PART 2: That, having conducted a public hearing, the City Council finds that the conveyance of the above described real property serves the legitimate public purpose by

promoting the development of low-income and moderate income housing and that sufficient controls will be in place to assure that the transfer of ownership serves the legitimate public purpose.

PART 3: That the City Manager or designee be, and is hereby authorized and designated to act as the City's representative and is hereby authorized to execute and sign all documents necessary to transfer ownership of the real property located at 1302 & 1326 W. Paul Street, Tyler, Texas.

PART 4: That this resolution shall take effect immediately upon adoption.

ADOPTED this 24th day of January, 2007.

JOSEPH O. SEEBER,
MAYOR, CITY OF TYLER, TEXAS

ATTEST:

APPROVED:

CASSANDRA BRAGER, CITY CLERK

CITY ATTORNEY