



## **COUNCIL COMMITTEE REPORT**

### **OPEN SPACE, ENVIRONMENT AND SUSTAINABILITY COMMITTEE**

**Date:** December 3, 2015

**Agenda Item #:** 4

**Agenda Item:** Recommendation regarding authorization of the negotiation and execution of all documents and instruments necessary or desirable to purchase in fee simple 25 properties at risk of flooding in the 25-year floodplain located within the Williamson Creek Watershed as per City Ordinance 20150604-021.

**Vote** Recommendation to proceed to Council with the purchase of the 63 properties while staying within the current budget and on a first come first serve basis. Staff will need to return to the Committee once funding runs out approved on CM Garza's motion and on MPT Tovo's second. Vote 2-1-0-1. CM Zimmerman voted against and CM Pool was absent.

**Sponsors/Department:** Watershed Protection Department

#### **Summary of Discussion**

Mapi Vigil, Managing Engineer with the Watershed Protection Department (WPD), provided an update on the Middle Williamson Creek Flood Hazard Mitigation Project. Ms. Vigil discussed council actions since September of 2014, in which funding was approved for the acquisition of 66 properties at risk of flooding. In November of 2014, Council authorized to make offers to three of the properties, leaving 63 properties left to acquire. In June of 2015 Council directed staff to proceed with the acquisition of 38 properties out of the remaining 63 properties that met a certain criteria. Ms. Vigil further explained that Council authorization is necessary to proceed with negotiations and acquire the remaining 25 properties.

Ms. Pam Kearfott, Supervising Engineer with WPD, provided additional detail on the project explaining that it is the second most important priority for Creek Flood Hazard. She also shared that in total there are 500 properties at risk in this area. In 1999, the City partnered with the U.S. Army Corps of Engineers which resulted in a flood hazard mitigation study that evaluated structural and non-structural solutions in several areas of Williamson Creek; the areas studied included Bayton Loop, Broken Bow, Radam/Emerald Forest, and Heartwood. The 25 remaining properties needing authorization to make offers to are located in the Radam/Emerald Forest and Heartwood areas.

Furthermore, Ms. Kearfott provided a summary of the existing WPD Buyout Program explaining that projects are prioritized based on problem severity and whether or not a buyout is determined to be the most cost-effective solution to mitigate flood risks. In addition, Ms. Kearfott discussed the various funding sources used and explained that since 2007 buyouts have

followed the federal guidelines for acquisition and relocation. Alex Gail, Assistant Director with the Office of Real Estate Services further added that applying the federal guidelines, specifically, the Uniform Relocation Assistance of Real Estate Acquisition Policies of 1970 to all different types of acquisition, regardless of the funding source, ensures that the acquisition and relocation processes are consistent and fair.

- *Clarification about request for additional funding for this project and Onion Creek*

Ms. Vigil confirmed that an additional \$6M-\$8M is needed to purchase 18 properties of the initial 66 properties. Ms. Kimberly Springer, Deputy Budget Officer for Financial Services Department, explained that both the Onion Creek and the Williamson Creek buyouts were funded with Certificates of Obligation. She further explained that during the budget adoption in September 2014, Council approved \$7.8 million to fund those buyouts, allocating approximately \$60 million for Onion Creek and \$18 million for Williamson Creek. Ms. Springer shared that if Council chose the option that would require additional funding the recommendation would be to continue the same funding mechanism of Certificates of Obligation.

- *Clarification on the funding status*

Ms. Vigil explained that the current balance of \$16.85 million will allow staff to proceed with the buyout of 45 homes. Council has authorized execution of the acquisition of 38 of the 45 homes and once the 38 properties are acquired, the balance will be \$2.9 million, which will allow staff to proceed with another seven properties out of 25 properties that requires authorization from Council. This leaves 18 remaining properties that will need funding, which are estimated to cost between \$6-\$8 million. Finally, Ms. Vigil also shared that \$2 million is allocated every year from the drainage utility fund, which could be used for this project.

- *Appreciating in value since 2014*

Mr. Gail confirmed that properties are appreciating in value while further adding that the current appraisals are significantly higher than what was anticipated in 2014. MPT Tovo asked if Ms. Vigil had those figures of the homes appreciating in value. Ms. Vigil, offered to provide the data to MPT Tovo and CM Zimmerman at a later time as she did not have that data with her. Public Safety Concern

- *Remaining 63 properties.*

Ms. Vigil further added that CM Garza is correct in that not all home owners will want to sell and that staff is assuming that all 63 property owners will want to be bought out. CM Garza emphasized that WPD identified the 63 properties and provided their expert opinion in that 38 of those properties were in danger, but it is not to say that the other 25 will not flood if there is another storm event.

## **Public Comments**

None

## **Direction**

**Recommendation**

Motion to go forward to Council with the purchase of the 63 while staying within the current budget on a first come first serve basis, and staff will come back when funding runs out.