

## **HARBOR BRIDGE PROJECT COMMUNITY ADVISORY BOARD MEETING MINUTES**

July 7, 2016

### CAB Procedural Matters

- A need for a Vice Chairperson was identified during the June 16 CAB meeting, and Floyd Williams, who had received the second highest votes for chairperson, accepted the position. Mr. Williams facilitated the meeting in the absence of the Chairperson.
- The Vice Chairperson asked for any revisions to the June 16 meeting minutes. The following revisions were requested.
  - Page 2: Request to include detail that the CAB agreed that Floyd Williams should serve as Vice Chairperson.
  - Page 3: The statement “A CAB member re-emphasized that community members should be meeting with the Port within the 60-day timeframe ...” should be revised to strike the reference to the timeframe.
  - Page 4: Request that examples of factors used for appraisals be included.
- Floyd Williams reviewed the ground rules.
- Chris Amy, TxDOT Liaison to the CAB, requested that members review the meeting minutes and provide feedback on the information and format.

### Follow-up on Action Items from the June 16 CAB Meeting

- DRA stated that questions regarding relocation assistance for absentee landlords are being discussed at the federal level and that they are hoping to have resolution by next week.
- Chris stated that TxDOT received feedback after the June 23<sup>rd</sup> Public Meeting about the proposed design changes currently being reviewed in the re-evaluation. There were several questions specifically regarding the changes to Staples Street and why changes are needed. TxDOT is working with the City to determine if it makes sense to move forward with the recommended changes to Staples Street and will provide the CAB with follow-up information when it is available.
- Chris stated that TxDOT and HNTB are working on creating better visualizations to illustrate the design changes proposed for the project.
- Chris stated that TxDOT will provide binders for CAB members, with contact list, meeting minutes, agendas, and other pertinent information. TxDOT can hold on to the binders for the CAB members, or members can take the binders with them after each meeting.

### Feedback from the CAB about the Acquisition and Relocation Program

Questions and concerns from the CAB included the following. Some answers were provided immediately; other answers were provided during the DRA presentation; and some answers will be provided later.

- Is there a cap on the amount of money people can receive for their properties?
  - DRA stated that there is legally no cap on the amount of money a person can receive for their property. Offers to on-site owners for their residence will be based on appraisals, and relocation assistance will be based on the value of comparable housing. Although comparable homes will be identified to determine the amount of the relocation assistance payment, People will not be required to relocate to any of the homes used as comparables; residents will have the option to purchase any home of their choosing that they can afford
- Recap by Louise Smart of concerns implicit in the CAB's questions:
  - Neighborhood homeowners want to be sure they are treated fairly and get a "real" price, and that the process for pricing/appraising is the same for everyone.
- If a home in the neighborhood is valued at \$40 per square foot and the cost of the average home in Corpus Christi is \$85 per square foot, how can we afford to purchase another home, given that value differential?
- Have neighborhoods been identified for selecting comparables?
- Will the relocation fee be able to cover something that is more expensive than where people currently live so they don't have to take on a mortgage?
- Can clarification be provided regarding relocation payment versus acquisition fees?
- Will Lamar Park and other nearby/similar neighborhoods be excluded when reviewing appraised value?
- What factors will be the basis for determining appraisal values?
- What are the tax implications for participating in the acquisition and relocation programs? Will people such as the elderly still be exempt?
  - DRA previously held a workshop regarding taxes and is willing to hold another to provide additional information. DRA stated that they can also hold workshops to address the issues raised by the community.
  - Workshops scheduled for July include an overview of city services offered, credit repair seminar, and the ABC's of appraisals.
- How can we identify which parcels are part of the voluntary acquisition program versus those that are part of the involuntary acquisition program? People are unclear of where TxDOT right-of-way is located and whether their homes fall within the area.
  - The involuntary program has not begun yet. TxDOT will send letters by the end of summer to individuals with properties within the TxDOT right

of way that have been identified for the involuntary acquisition/condemnation process. Approximately 122 parcels are identified in the project right-of-way, but there are design changes that are still in the works that may affect which parcels are ultimately in the right-of-way. Maps identifying the involuntary and voluntary programs' boundaries are available at the Port office.

- Parcels necessary for the bridge project will be handled by the Flatirons/Dragados LLC team.
- Why is the project design still changing?
  - The project is a design-build project which allows the developer to make design changes to optimize the design.
- Can a workshop be held that includes representatives from the involuntary and voluntary programs?
- Can people go to the TxDOT District office to review exhibits?
  - Yes, people are able to go to the District office, but exhibits are also available at the DRA office at 2301 N. Port Avenue, which is closer to the neighborhood.

#### City of Corpus Christi Housing Authority Update (Gary Allsup)

- The U.S. Department of Housing and Urban Development approved Leathers II for demolition/disposition. TxDOT will have surveyors on the Leathers properties.
- An individual asked whether the Housing Authority purchased the Northside Commons lands, and the Housing Authority stated they do not own the land nor did they purchase it.
- Leathers I finished its historical determination process. A memorandum of understanding was signed by TxDOT and several other parties agreeing to historical mitigation activities. The activities include preserving the existing mural on the side of the Leathers property and the creation of a package describing the historical importance of the Leathers properties. This will be made available to the public through the library.
- The Housing Authority is issuing Section 8 housing vouchers to current residents of Leathers II on August 1. Residents will have until November 30 to vacate the Leathers properties, which provides current residents four months to move. If residents have not identified an alternative residence by October 1, they will be moved to another public housing property. In December the Leathers property will be demolished.
- The next biweekly meeting for residents will be on July 12 at 10 am.

- The Housing Authority Board is reviewing the potential to create a housing program that will build ten demonstration Section 8 rental homes. Eventually, the Authority would like to build additional units and create a self-sustaining program based on the rent received. The Authority also hopes that the homes could eventually be sold.
- An individual asked if vouchers had a particular value. The Housing Authority stated that there is no pre-determined value for each voucher. In the Section 8 voucher program, the renter pays 30 percent of their monthly income towards the rent; the federal government pays the differential between what the renter pays for rent and the fair market rent that has been pre-determined for the individual unit.
- Another individual asked how long the vouchers last. The Authority stated that the vouchers last for as long as an individual qualifies for the program.
- A CAB member suggested that the Housing Authority consider providing mobility counseling, such as providing a list of properties that will accept vouchers.

#### City of Corpus Christi Update (Debbie Davenport)

- The City recently sent postcards with contact information about the City's program and the new Harbor Bridge project representative, Debbie Davenport. The City explained that they can provide information and assistance to help individuals make an informed decision.
- Debbie Davenport has a list of landlords.
- Debbie will be at the DRA office for three days a week starting the week of July 11. She will be at the DRA office on Mondays and Wednesdays, and may be there on Fridays as well.
- The City stated that the Parks and Recreation department is holding a summer pool camp at the Greenwood Pool, starting July 14 and continuing until August 14 for children and adults. Children under 7 years old will need a chaperone at least 17 years old. There is a shuttle twice daily.
- CAB members had the following questions for the City.
  - What will happen to the neighborhood pool?
  - Is there information about the summer pool camp available in places where children and their parents frequent?
  - What is the City's future land use plan for Hillcrest? If 40 percent of the properties are vacated, what will the other 60 percent look like?

- DRA Update (Dionisio Marquez)

In order to answer many of the questions raised by the CAB, Dionisio presented an example of the steps a homeowner will go through if he or she wants to participate in the voluntary acquisition and relocation program:

- There are two components for the voluntary program: acquisition and relocation.
- Once an individual decides to sell, an appraiser will set up a joint walk-through of the owner's property with the owner. The appraiser will look at three factors to create the valuation: the value of comparable properties, income generated by the property (this is only applicable to landlords), and cost approach. After the appraisal has been completed, a second appraiser will review the valuation, which is then submitted to TxDOT for review. After TxDOT reviews and accepts the appraisal, DRA will prepare an offer for the owner. At the same time as appraisal is being developed, the relocation agent will identify comparable replacement properties. The difference between the appraisal of the property and the price of the identified comparable is used to determine the amount of a relocation payment that is factored into the offer to the owner. Once DRA presents the offer, the owner has 60 days to decide to whether to accept the offer. If the owner decides to sell, s/he has the option of moving wherever s/he chooses.
- DRA sent out 541 letters to property owners in the area and received 38 letters of interest and requests for more information. DRA pulled 132 title reports, which provides information about the property, such as liens, owners, easements, etc., and received 103 back. It will take some time for DRA to review the reports.
- CAB members had the following questions.
  - Will properties close to the water be considered waterfront if there is a view of the bay?
    - They will be evaluated on a case by case basis.
  - Do you look at people's income for appraisal?
    - No. The appraisal factors in income generated by the property (such as rent received by a landlord).
  - If people are paid for their homes when they turn in their key, how will they be able to move right away, since they will need the purchase money to pay for their new home?
    - DRA will ensure that people have enough time to move from their homes and find a new home.
  - Why is the appraisal/relocation process taking so long?
    - The process just started in May and is moving forward rapidly. DRA has already begun hiring appraisal companies. There are many moving parts to the process. People will have three years to make a decision.
  - What happens if there is no comparable housing available for purchase and someone has to build a home?
    - Because homes in the neighborhood are in an urban environment, it is unlikely that comparable housing will not be available.

- What will happen to the churches in the area as part of the acquisition/relocation process?
  - Churches will be treated as a business in terms of the acquisition process. The relocation process will be different due to the business component, which will include searching expense (cap of up to \$2,500), re-establishment payment (cap of up to \$25,000), and moving cost (no ceiling on cost).
  - DRA previously held a workshop for businesses and can hold another one specifically focused on churches, to help provide more information. DRA is reaching out to churches to provide information about the program.
- Is the voluntary program only for owner-occupied parcels?
  - The program is not only for owner-occupied homes. It can be used by absentee property owners, but the four-party agreement does not provide for a relocation benefit for absentee owners.
- Can CAB members provide written feedback via index cards?
  - Comment forms will be available during each meeting for members to provide feedback.
- What is the contracting and incentive structure between DRA and the Port? How is DRA paid?
  - DRA does not receive any incentive for the program. Its payment is not linked in any way to the amount property owners are paid for their property. DRA is paid on an hourly basis for milestones reached and is paid a monthly stipend for expenses such as workshops. If DRA closes a parcel, it gets paid. The only incentive is for DRA to help people. The Port is funding \$20 million for the voluntary program. If this money runs out, TxDOT will fund any additional costs. If 78 percent of the community moves, the \$20 million will likely be exceeded.
- Is there a written description of the acquisition/relocation process?
  - Yes. Handouts and booklets are available at the DRA office.
- Who is looking into property owners' mineral rights?
  - The acquisition process will not impact mineral rights. DRA can provide additional information about mineral rights.
- How will taxes, including capital gains, be handled?
  - Capital gains that occur as a result of acquisition of a property, are taxable. However, relocation benefits are not taxable.
- Can a workshop be provided based on the questions raised during the CAB meetings?

- DRA is holding an owner-occupant workshop in August that may be useful and is always willing to hold more workshops based on individuals' needs.
- TxDOT Update
  - The groundbreaking for the bridge project will be on August 8 at 1 pm under the bridge near the Ortiz Center. Members of the public are invited to attend.
  - The next meeting will provide more information about the re-evaluation of the Staples interchange.
- Action Items
  - Revise the June meeting minutes.
  - Provide binders with pertinent information for CAB members.
  - Provide large-scale map of voluntary and involuntary program limits with parcel outlined.
  - The next CAB meeting will be held on August 4.