

HARBOR BRIDGE PROJECT COMMUNITY ADVISORY BOARD MEETING MINUTES

August 4, 2016

The following notes are a reflection of TxDOT's summary of the meeting and are not designed to be an exact representation of proceedings. The responses to questions posed during the meeting included in this document may be abbreviated and not reflect the full and appropriate responses for individual situations. CAB members and the public should contact the appropriate agency for complete and personalized answers to their questions.

- Opening

The CAB Chairperson welcomed the CAB and reviewed the agenda. He explained that the CAB comment and question/answer period would follow the presentations.
- TxDOT Liaison Update
 - Chris Amy explained that binders were provided based on feedback from the CAB. He explained that TxDOT is developing an FAQ document which will be updated regularly. He stated that the FAQ should be available by the next CAB meeting.
 - TxDOT is still reviewing the Staples Street improvements to determine the final design. The existing bridge will remain and the pedestrian bridge will be moved.
 - Flatiron Dragados is looking at the SH 286/I-37 interchange improvements. There is a tentative meeting scheduled for August 23 with a CAB subcommittee to discuss, in detail, the interchange and the TC Ayers Park area.
- DRA Update
 - DRA identified 544 parcels in the project area. Of those parcels, 190 letters of interest were returned from property owners to DRA, including:
 - 37 owners requested additional information
 - 23 owner/occupants; 14 off-site owners
 - 149 owners expressed interest in selling
 - 66 owner/occupants
 - Four interested in restricted covenants
 - 83 off-site owners
 - To date, DRA requested 153 title reports and received 127. Currently, 65 parcels are being appraised, and appraisers (Integra Realty Resources and Leonel Garza and Associates) may be seen around the neighborhood.
 - The appraisal process takes approximately 45-60 days.
 - The DRA liaison was asked to explain what the term “comparable” means. He explained that there are two types of comparables for the voluntary program: acquisition and relocation.
 - Acquisition:

- For appraisal purposes, the appraiser identifies similar properties that were sold in or near the area (comparables) to establish a price for the property.
 - The appraiser can factor in a cost approach that calculates cost to construct a similar home.
 - Relocation:
 - For purposes of the relocation program, comparables are properties that are available for sale and are similar to the property being sold to the Port. Their value will be used to determine whether a property owner is eligible to receive a relocation payment and how much he/she may receive.
 - Once the appraisal is TxDOT-approved and the acquisition and relocation offers have been made to the owner, a homeowner has 60 days to accept the offer, but does not have to find a home during this period. Once the homeowner accepts the offer from the Port, s/he has at least 90 days during the escrow period to find a replacement home. In total, owners will have at least five months to find a new home from the date the offer is made.
 - The Port will supply \$20 million to fund the voluntary program. However, the program is not capped at \$20 million, as TxDOT committed to funding the program if it exceeds that amount. This means that there is no cap for acquisition and relocation offers due to a cap on the overall program. The acquisition offer is based on the appraiser review, and the relocation offer is partially based on the price of comparable replacement homes. Both the acquisition and relocation payments added together constitute the total offer.
 - The appraisal and relocation evaluation processes take approximately 45 days. The current process is moving at an appropriate pace given the first letters about the program were sent to the neighborhood on May 7, and the program will be available for three years.
 - DRA explained that escrow is the process where a third party company holds money from the Port for the homeowner who has accepted the Port's offer, while the closing process takes place. Once the property owner accepts the offer, the escrow account is opened.
 - DRA stressed the importance of visiting the office for information regarding the specific details of individual situations.
 - Attendees were asked to write down their thoughts and questions related to the acquisition and relocation.
- Housing Authority Update

- Section 8 vouchers, which can be used immediately, are now being distributed to Leathers residents. Residents have 120 days total to find a place before the vouchers expire.
- Residents must move out by October 30. There are exceptions for residents who have found a new residence but they cannot move into the residence before the deadline.
- The last day for all residents without exception is November 30, because demolition will begin on December 1.
- Leathers residents who have not found a replacement residence by November 30 can be moved into public housing. They can continue to look for Section 8 housing or other housing. The Housing Authority is holding public housing units vacant to ensure they are available for Leathers residents if needed.
- Leathers residents may compete with others who are looking for rental housing. However, Leathers residents will not likely compete with the neighborhood residents who are buying homes. Several apartment complexes are actively recruiting Leathers residents.
- Residents who are displaced by government action (including Leathers tenants and neighborhood tenants) will be given preference for the current 105 public housing units that the Housing Authority has available.
- Public housing qualification is based on income. For a single person, the income limit is \$32,550 and for a four-person household is \$46,500. Rent is based on 30% of the household adjusted income.
- City of Corpus Christi Update
 - The swim camp is ongoing and lunch is provided to participants. Turnout has been low.
 - The City is working to help the community get the information they need to make informed decisions and, also, to direct people to the correct department/agency to get the information they need.
 - The City provided a list of resources to assist residents in determining the correct department/agency to contact.
 - Debbie Davenport with the City will be at the Port office on Monday, Wednesday and Friday during regular office hours. She will be available at City Hall on Tuesday and Thursday.
- Flatiron/Dragados Update
 - An email was sent to the CAB regarding the Monday, August 8 groundbreaking for the Harbor Bridge. Although parking will be available, the CAB was encouraged to come early, since turnout for this event is expected to be high.
 - There will be a design charrette on September 22 that will provide the public with an opportunity to provide comments on aesthetics features (lighting, railing, etc.) throughout the project area.

- At the September 1 CAB meeting, the CAB will get a first look at the information that will be provided during the design charrette.
- The project is starting to ramp up, and the developer will begin its first of two bulk hires in October. The next bulk hire is anticipated in May 2017. Positions will include carpenters, masons, truck drivers, and other laborer positions. Additional information about the bulk hire can be found at <http://www.harborbridgeproject.com/>. The developer is working with the Workforce Solutions Center regarding career fairs. Other public events will be scheduled.
- Questions from the CAB
 - Can the appraisal process be provided in a graphical, step-by-step exhibit?
 - Yes, DRA can work on developing a high-level overview/flowchart of the acquisition and relocation process. Since the flowchart cannot represent each individual's experience, people were highly encouraged to visit the DRA Office for information tailored to them.
 - Can the public provide input on what goes into the aesthetics of the project?
 - Yes, the public will have the opportunity to provide input on the details for aesthetics. The aesthetic concepts will be determined prior to the charrette.
 - What determines the fair market value of a home being reviewed in the voluntary program?
 - The value of a home is based on the appraisal process, which includes the fair market value. The fair market value refers to how much a home is worth based on what buyers are willing to pay and sellers are willing to sell.
 - Can an appraiser come to the next meeting to discuss the appraisal process?
 - DRA will look into bringing an appraiser to the next meeting.
 - Can a copy of the title report and a preliminary appraisal figure be given to the property owner before the final appraisal is released?
 - No, neither the title report nor the appraisal can be sent out before the formal appraisal is presented.
 - Is there a cash payment of the escrow money to the seller after the closing?
 - When escrow closes, there is no cash given to the seller, but the money is wired to the property owner's account.
 - How is a property owner who is not purchasing a replacement home paid for his/her acquired property?
 - A property owner will only receive the acquisition offer and not the relocation offer if s/he does not purchase a replacement home.
 - What help will be available for property owners unable to find a comparable home?

- Because part of the appraisal and relocation process includes comparables, property owners should not run into problems finding replacement residences. If issues do arise, there will be multiple resources available to assist.
- What type of jobs will be available during the bulk hire?
 - The first bulk hire will begin in October for the labor workforce. There will be a wide range of positions available with approximately 500-700 new jobs available during the life of the project.
- Few homes have sold recently in the voluntary program area. How will a comparable be determined for appraisal purposes?
 - The cost approach can be used along with the comparable approach. The cost approach uses the cost to rebuild the home minus the depreciation.
- The statement was made by a CAB member that the first home to sell in the area will be used as a comparable for appraisal purposes.
 - This statement was not addressed by DRA.
- When the property goes to title, how many days does it take for a person to receive funds for his/her acquired property?
 - The length of time for closing escrow and receiving funds depends on how soon the Port can receive a free and clear title for the property. The payment process for the Port is different than purchasing from most individual property owners because the Port has funds available and does not need to work through a mortgage company. If a property owner is concerned about purchasing a property while waiting on receiving funds from the Port, DRA suggested the property owner/realtor include a concurrent with offer clause. Because this clause is legal in nature, it was suggested that the property owner speak with his/her realtor or a lawyer about the issue.
- Will the cost approach always be used?
 - It depends on the individual's situation.
- What is the tax liability for money received during the acquisition/relocation process?
 - The acquisition payment could be taxable if the sale results in capital gains. The relocation payment is not taxable.
- What prompts DRA to pull a title report?
 - When the DRA receives the signed offer letter from the property owner, DRA will request a title report. Title reports cannot be pulled for the entire neighborhood because the voluntary program requires property owners to first indicate their interest in selling.
- Why are there not more local appraisal companies working on the program?

- Although there are some local appraisal companies working on the program, several local companies have not yet stepped forward to participate in the program.
 - Is it possible for people to get money to upgrade but not sell their homes?
 - DRA is not providing any funding for people to upgrade and not sell their homes. An owner who plans to remain in his/her home could participate in the Voluntary Restrictive Covenant Program. If a property owner opts for a restrictive covenant, s/he can stay in his/her home until s/he dies or sells the property, but the property can no longer be used for residential purposes after the current property owner dies or sells the property.
 - What is happening to the pool in the future?
 - This question was not answered.
 - Will developments be built for residents within the voluntary program area?
 - The potential for building replacement properties for all local residents to provide viable housing options is being reviewed.
 - Will transportation be provided for Leathers residents to look for replacement residences?
 - Yes, the Housing Authority can arrange transportation.
 - Will the Section 8 housing list be updated to reflect current properties that are available?
 - Yes, the list is updated as frequently as possible to accurately provide information about properties with vacancies.
 - Are local statistics, such as crime rates, schools, etc., being provided to Leathers residents for potential relocation areas?
 - The Housing Authority is providing all of the information they have to residents to help them make informed decisions on where they may potentially move. The Housing Authority stated that the move out of the Leathers property could be an opportunity for Leathers residents to find a property that fits their needs. The move, though, is not a lifetime commitment.
 - Will air quality for the neighborhood be considered?
 - There will a public meeting that provides exhibits and an opportunity to ask Flatirons/Dragados these kinds of questions.
 - What is the relocation process for landlords?
 - FHWA has raised this question to the federal level, and it is working through several federal offices to find the correct answers. As soon as FHWA receives word back, it will inform the CAB.
- Questions from the public
 - How close can a replacement home be to the Port or highway?

- DRA is not looking at replacements within a 6-mile radius of the port. If there are no homes outside that radius, it will be expanded accordingly until a suitable replacement property is identified.
- Where is the design charrette being held?
 - The charrette will be on September 22; a time and location have not been identified. The information presented at the design charrette will be available in advance at the September 1 CAB meeting.
- Can the City of Corpus Christi be the liaison for information regarding tax liabilities such as capital gains taxes for the acquisition and relocation program?
 - Debbie Davenport will check with the finance department to see if this is possible.
- Did the City know that the bridge would take five years to build?
 - Debbie Davenport could not answer because she was not on the project at the time.
- Will a property owner who decides to sell on the last year of the voluntary program have the same amount of time as a person who completes the process early?
 - Yes, a property owner will technically have the same amount of time to complete the program no matter when they initiate the process during the three-year program. DRA, though, suggest that a property owner wait no later than .5 years before the completion of the voluntary program to begin the process.
- Will there be environmental remediation and reduced street mobility during the demolitions of Leathers?
 - Yes, there will be environmental remediation efforts. Information about street closures and other potential mobility issues is unknown at this time.
- When will the community sustainability plan be completed?
 - The voluntary program may change the characteristics of the community; therefore, the community sustainability plan, as outlined in the Final Environmental Impact Statement (FEIS), may be delayed until there is a clearer understanding of how many property owners will remain in the neighborhood. TxDOT is currently trying to determine the appropriate timeframe to start the plan, but it may not begin within the one-year timeframe outlined in the FEIS. This question will be considered again in the future with TxDOT, FHWA, and the CAB.
- It is possible that the proposals in the community sustainability plan could influence peoples' decisions to move.
 - This may be true and opportunities such as the design charrette will provide chances for input.
- Will the mural at Leathers be saved and where will it go?

- The mural and the plaque (monument) will be preserved. No location has been identified yet, but it may be displayed at the Housing Authority for some time or at a park if it is constructed in the neighborhood.
 - The Chairperson suggested that the CAB form committees to discuss specific issues.
- The Chair closed the meeting