



## Legislation Text

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File #: 22-166, Version: 1

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**STRATEGIC PRIORITY:** Transportation & Infrastructure

**AGENDA DATE:** January 26, 2022

**COUNCIL DISTRICT(S):** 4

**DEPARTMENT:** Water Utilities Department

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

Authorize the second step of acquisition for condemnation by eminent domain to acquire a tract of land containing approximately 263,495 square feet, improved with an automotive salvage yard and associated site improvements, from Dallas H.B.M. III, L.L.C., located on E. Kiest Boulevard at its intersection with Rector Street for the Dallas Floodway Extension Project - Not to exceed \$967,374.00 (\$959,374.00, plus closing costs and title expenses not to exceed \$8,000.00) - Financing: Flood Protection and Storm Drainage Facilities Fund (2006 General Obligation Bond Funds) (\$167,374.00) and Trinity River Corridor Project Fund (1998 General Obligation Bond Funds) (\$800,000.00)

### **BACKGROUND**

The City of Dallas is the owner and operator of the Dallas Levee System extending from the Elm and West Forks of the Trinity River through the main stem and terminating at Interstate Highway 20. This system is regulated by the U.S. Army Corps of Engineers (USACE). In addition to regulating the Dallas Levee System, the USACE and City have been cost participating in two separate federal projects to improve the public safety of the residents and businesses that are served by this system. The City is required to own, in fee simple, all parcels related to the Dallas Levee System.

In July 2018, the Dallas Levee System flood risk management projects included in the Modified Dallas Floodway Project (DF) and the Dallas Floodway Extension (DFE) were authorized for funding under the Supplemental Appropriation in the Bipartisan Budget Act of 2018- Public Law 115-123 (PL-115-123). This information has been presented to the City Council and provided in memorandum to the City Council at major milestones since the notification by the USACE. All work associated with the design and construction of these improvements is being performed by USACE with the City serving as a technical advisor and client. An overview of the projects, federal funding and associated local requirements included in PL-115-123 are as follows:

- DFE: Up to \$135.25M for Lamar Levee and Cadillac Heights Levee

- City is obligated to expend funds to complete necessary real estate activities such as acquisition, relocation and environmental remediation and public utility relocation; acquisition funds are potentially eligible for reimbursement in the future.
- DF: \$261.9M for approved flood risk management such as levee raises and flattening, removal of ATSF Bridge, Trinity Portland Pump Station, Charlie Pump Station, Delta Pump Station Rehabilitation, Hampton Pump Station and Nobles Sump Improvements.
- City is obligated to expend funds on 35 percent of the design and construction and environmental remediation and public utility relocation; the real estate funds are credits against the cost share for the project.

This acquisition is for a property necessary for the construction of the Cadillac Levee as part of the Dallas Floodway Extension Project.

This item authorizes the second step of acquisition for condemnation by eminent domain to acquire approximately 263,495 square feet, improved with an automotive salvage yard and associated site improvements. An offer was presented to the property owner on September 20, 2021 reflecting the appraised value of \$959,374.00 and the City's offer was declined. Negotiations between the City and the property owner are ongoing and to date, no amicable agreement has been reached.

The first resolution approved on December 8, 2021, by Resolution No. 21-2006, authorized the purchase in the amount of \$959,374.00, based upon an independent appraisal. This property will be used for flood control associated with the Dallas Floodway Extension Project.

Future relocation assistance may be necessary for this acquisition.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On December 8, 2021, City Council authorized an acquisition from Dallas H.B.M. III, L.L.C. of a tract of land containing approximately 263,495 square feet, improved with an automotive salvage yard and associated site improvements, located on E. Kiest Boulevard at its intersection with Rector Street for the Dallas Floodway Extension Project by Resolution No. 21-2006.

**FISCAL INFORMATION**

Fund	FY 2022	FY 2023	Future Years
Flood Protection and Storm Drainage Facilities Fund (2006 General Obligation Bond Funds)	\$167,374.00	\$0.00	\$0.00
Trinity River Corridor Project Fund (1998 General Obligation Bond Funds)	\$800,000.00	\$0.00	\$0.00
Total	\$967,374.00	\$0.00	\$0.00

**OWNER**

**Dallas H.B.M. III, L.L.C.**

H. B. Moody III, Manager

**MAP**

Attached