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**CITY OF SEABROOK
RESOLUTION NO. 2015-14
DESIGNATION OF “DEMOLITION GRANT PROJECT”
FOR AUTHORIZED ECONOMIC INCENTIVES**

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**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEABROOK, TEXAS,
DESIGNATING THE DEMOLITION GRANT PROJECT FOR ECONOMIC
INCENTIVES AND AS AN AUTHORIZED PROJECT OF THE SEABROOK
ECONOMIC DEVELOPMENT CORPORATION**

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WHEREAS, on January 18, 1992, the voters of the City of Seabrook authorized the City of Seabrook to adopt a one-half cent sales and use tax to pay for the costs of projects authorized by Section 4B of Article 5190.6, V.T.C.S., as amended, and to pay for the principal and interest of bonds or other obligations issued to pay the costs of such designated projects; and

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WHEREAS, the Seabrook Economic Development Corporation (“EDC”) was established to oversee the expenditures of tax monies, and bylaws were established for the operation of the EDC; and

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WHEREAS, the EDC has analyzed potential projects that will meet the enabling legislation’s purposes and assist it in attracting new businesses, expanding existing businesses, creating jobs, and assisting in other statutorily authorized economic development programs; and

WHEREAS, the EDC has determined that the creation of economic incentives for the Project, as delineated in the Demolition Grant Guidelines is authorized under Texas Local Government Code Sections 501.101, 505.155, 505.158, and 505.302, and is being used for the purpose of promoting new and expanded business enterprises in or near the City of Seabrook; and

WHEREAS, the EDC met on April 9, 2015, and at that time took formal action to support and approve funding of a proposed demolition project, with contemplated expenditures to exceed \$10,000, to assist in the removal of substandard commercial structures within the City of Seabrook in accordance with certain guidelines, to assist eligible property owners, within a specified amount, with EDC grants not to exceed \$20,000 or 85% of eligible project costs, whichever is less, for each individual qualifying request, (“Project”); and

WHEREAS, a public hearing was conducted by the EDC on June 11, 2015 to receive public input for such Project; and

WHEREAS, the EDC has determined to proceed with the subject Project, subject to City Council approval of same in accordance with law; and

WHEREAS, the City Council (the “City”) desires to encourage the development or redevelopment within the city limits of the City of Seabrook, by specifically including the Demolition Grant Project (“Project”) as approved by the EDC, as described in the Demolition Grant Guidelines, attached hereto as Exhibit A; and

Seabrook Economic Development Corporation Demolition Grant Guidelines



OVERVIEW:

The City of Seabrook's Economic Development Corporation (SEDC) is offering a one-time grant to property owners within certain geographic boundaries within the city limits who wish to demolish vacant buildings that are deteriorated or dilapidated and fit within the established guidelines. The program is intended to promote new or expanded business development that create or retain primary jobs by assisting eligible property owners with demolition of aging or substandard buildings to improve the quality of commercial zones in the city limits for this purpose, as determined by the SEDC. The community will benefit from the building's removal by improved economic development opportunities and improved health, safety, and welfare to the residents. Eligible property owners would not be required to convey their interest in the property in exchange for demolition of the applicable building under this program.

Participation is voluntary, and funding is limited.

Property owners that have more than one structure they wish to apply for demolition assistance must fill out a separate application for each address.

Geographic Boundaries of the Grant Program

The grant program is open to properties located within Empowerment Zone #3 within the city limits. Only vacant commercial buildings are eligible.

Features of Grant

Grants of up to \$20,000 or 85% of eligible project costs (whichever is less) are available. Grants are awarded on a reimbursement basis.

Applicant Eligibility

Applicant must:

- Be the legal owner of the property (a copy of the current ownership deed to the property is required);
- Eligible properties must be vacant of human occupants at the time an application is submitted to the City
- Property owner(s) participating in the program do so voluntarily. However, that does not relieve them from any previous or future public nuisance actions pertaining to the property
- All work is contracted and paid by the owner. This grant program is a reimbursement basis program.

- The property owner agrees to hold the City harmless from any liability for any damages or injuries caused by its actions or by the actions of its employees, contractors, or other agents thereof, whether intentional or unintentional relating to this program.
- Eligible properties must demonstrate that the property have NO hazardous materials located, stored, kept, maintained, or possessed on or about the property at the time of application (Certification will be required). Additionally, a completed Environmental Assessments (Phase I Environmental Survey) may be required.
- Properties must be free and clear of any previous liens, mortgages, rental agreements, civil penalties, utility fees or other ownership interests, or past due property taxes
- Property owner must provide proof of fee simple ownership and liability insurance.
- The removal of the building must be in compliance with City Code(s), specifically including those applicable to demolitions and related law.

Procedure

1. The Grant Application (a Completed Application includes the form and all required attachments) is to be presented for evaluation first to the Seabrook Building Official or designee for review that the structure is deteriorated or substandard. The Official or designee will review application and all attachments including the verification that attached demolition quotes adhere to Seabrook City Codes.
2. If passed by the Seabrook Building Official or designee, the application is forwarded to the Seabrook Economic Development Corporation with the attachments, application and Seabrook Building Official or designee's approval and/or recommendations.
3. The Economic Development Corporation will review the application, including addressing the below criteria, and any related criteria, in a public meeting as determined appropriate. Seabrook Economic Development Corporation shall consider the benefit to the City, compliance with applicable requirements, and make recommendation without considering race, sex, religion, or ethnicity of applicant in accordance with all applicable law. If approved or approved as modified, the application will be forwarded to the Seabrook City Council for disposition.

Review Criteria

- a. Condition of existing structure(s)
- b. Strength of the applicant's redevelopment and/or site restoration plan
- c. Impact to the tax base and overall economic impact of the project
- d. Improvement to the overall appearance of the site and zone
- e. Appropriateness of any submitted redevelopment plans and the compatibility of use for the surrounding area
- f. Whether the proposed project will assist in reducing blight in the surrounding area
- g. Appropriate site restoration plan
- h. Proposed site redevelopment plan, preferred but not required
- i. Promotion of new or expanded business development that creates or retains primary jobs

- j. Any other criteria deemed relevant
- 4. The City Council, using the same review criteria and Economic Development Corporation comments, will then consider and approve or deny the application or approve with modification(s).
- 5. The City Manager and/or Director of Economic Development after approval by both SEDC and City Council will require an approved Performance Agreement signed by the owner(s).
- 6. The City Manager and/or Director of Economic Development will issue a Letter to Proceed after a properly executed Performance Agreement is returned including any and all changes recommended by any required party has been completed or submitted timely, with all attachments determined to be in order for proceeding.
- 7. After 100% completion of demolition, a designee from the Seabrook Building Department will inspect the site for proper compliance and site restoration requirements. A Final Report will be forwarded to the City Manager and the Economic Development Director for approval.
- 8. Payment will be authorized if all requirements are 100% completed as determined by the City Manager.

Performance

Demolition must occur within ninety (90) days of approval by the City Council (“Performance Period”) or the grant application becomes voidable at the option of the City Council. The City Council may grant one ninety (90) day extension, in its sole determination, for extraordinary circumstances.

A signed approved “Performance Agreement” is required for all applications. The waiver of city permit fees is treated as a forgivable loan strictly conditioned upon compliance with the terms of this program, but upon default owner shall make payment of all such fees, and City shall have the right to enforce payment by all legal recovery methods in accordance with law. If the property is sold, transferred, or otherwise alienated by the recipient within the performance period, it is considered a default of the performance agreement voiding the grant/program. The recipient shall agree to be subject to periodic inspections and meetings to ensure compliance with the terms of the performance agreement.

The City reserves the right to determine acceptable properties for the program and may withdraw from any agreement prior to demolition upon written notice to the property owner for noncompliance issues. Material misrepresentation in the grant application shall cause the owner to forfeit this grant. The City also reserves the right to discontinue this program at any time for any reason without notice.

DEMOLITION GRANT PROGRAM APPLICATION

Applications should be submitted to the Economic Development Department. For more information, please contact the Director of Economic Development at 281-291-_____

APPLICANT INFORMATION

Legal Name of Applicant (must be the owner of the property): _____

Mailing Address: _____ Street Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____ E-Mail: _____

Project Manager Name and Title (if different from above.): _____

Project Manager Organization Name: _____

PROJECT INFORMATION

Amount Requested \$ _____ Project Title: DEMO GRANT

Address of Building: _____ Zoning of the Parcel: _____

Proposed Use: (ATTACHED) _____

Year Building was constructed: _____ Length of Time Building has been Vacant: _____

Square Footage of Building: _____

BUDGET INFORMATION

Total Cost of Demolition and any Site Restorations: \$ _____

Amount of Grant Request: \$ _____

REQUIRED ATTACHMENTS

All applications must include the following information:

1. Completed application form.
2. Detailed Cost Estimates and Scope of Work. A detailed Scope of Work that identifies the work tasks and associated costs should be provided in line-item form. Estimates/bids from at least two (2) contractors must be included for all proposed activities.
3. If applicable, copy of completed Environmental Assessments (Phase I Environmental Survey) to certify.
4. Plot plan of the property which must include legal description, street address, and lot dimensions.
5. Copy of the property's most current estimated market value, including a breakdown of "land value" and "structure value".
6. Reuse plan indicating any future plans for the property (must conform to all applicable Municipal Codes and Zoning requirements).
7. Site grading restoration plan (post site grading).
8. Color photographs of the existing site or project area.
9. Current list of all owners/lienholders.
10. Copy of applicable insurance.
11. Proof of no liens or delinquent payments in relation to the property.

Property Owner Signature: _____
(Must be Notarized)

STATE OF TEXAS §
 §
_____ COUNTY §

I, _____, a Notary Public for said County and State, do hereby certify that _____ personally appeared before me this day and acknowledge the due execution of the foregoing instrument as owner of the property referenced herein.

Witness my hand and official seal, this the _____ day of _____, 20____ . _____

Notary Public in and for
The State of _____

My Commission Expires: _____

**VOLUNTARY DEMOLITION PROGRAM
City of Seabrook, Texas
RELEASE AND PERFORMANCE AGREEMENT**

This Release and Performance Agreement is hereby made and entered into this ____ day of _____, 20__, by and between the City of Seabrook, Texas, a municipal corporation, hereinafter referred to as City, and _____, hereinafter referred to as Owner.

WHEREAS, _____ is/are the Owner, free and clear of any outstanding liens, mortgages, and encumbrances of the real property located at and described in the following legal description:

WHEREAS, Owner owns a vacant substandard, deteriorated, or dilapidated building located on the above described property (attach dimensional drawing and photograph(s) of building) which Owner desires to be demolished, having determined that the costs of repairs are in excess of the value of the subject building; and

WHEREAS, Owner desires to personally contract to have the building removed from the property and,

WHEREAS, Owner is agreeable to demolish the building, removal of all demolition debris and grade the site, all in compliance with the applicable City Code of Ordinances/law at the above location.

For and in consideration of the City of Seabrook providing a demolition grant in the amount of \$ _____;

This Release and Performance Agreement is entered into voluntarily and is intended to release the City of Seabrook, its officers and employees, and agents thereof, for any and all claims that may occur as a result of any services performed in the grant procedure.

Owner agrees to and shall indemnify, hold harmless, and defend the City of Seabrook, Texas, its Boards, Commissions, related individuals, corporations, officers, agents., employees, against any and all claims, losses, damages, causes of action, suits and liabilities of every kind, arising out of the existence of the above-described activity.

Owner agrees as follows:

1. Owner shall remove the building described above by demolition within 90 days of approval of this application by City Council. Owner acknowledges the structure is vacant and in a substandard, deteriorated, or dilapidated condition, and that its removal benefits the public's health, safety, and welfare.
2. Owner certifies that no liens, mortgages, rental agreements, or other ownership interests exist concerning said property. Owner certifies that they are not delinquent on real estate taxes or city utilities.

3. Owner certifies that no demolition on this property has been started.
4. Owner shall indemnify and hold City harmless of and from any and all claims, suits, actions, or judgments, including all expenses, attorney fees, witness fees, cost of defending any such action or claim, or appeals, there from, arising out of the grant program and demolition of the building.
5. Owner shall show proof of current liability insurance on the premises in the amount of at least \$1,000,000 and continue coverage throughout project.
6. Owner certifies that there are no hazardous materials located, stored, kept, maintained, or possessed on or about the above-described property and will produce appropriate environmental surveys to verify. (i.e., Phase I Environmental).

Release and Agreement dated this _____ day of _____, 20__.

Owner Signature

Approved in the amount of \$ _____ by Seabrook Economic Development Corporation this _____ day of _____, 20__.

SEABROOK CITY ECONOMIC
DEVELOPMENT CORPORATION

By: _____

ATTEST:

Approved in the amount of \$ _____ by Seabrook City Council this _____ day of _____, 20__.

SEABROOK CITY COUNCIL

By _____

ATTEST:

City Secretary