CITY OF COLLEGE STATION
COMMUNITY DEVELOPMENT HOUSING ASSISTANCE PROGRAM

OPTIONAL RELOCATION PROGRAM
REHOUSING AGREEMENT FOR HOMEOWNERS

This Agreement is made and entered into on this the _____day of _____, 2001 by and between the **CITY OF COLLEGE STATION, TEXAS** ("City"), and **LAWRENCE C. NEMEC** ("Owner").

WHEREAS, Owner has applied for financial assistance pursuant to the City's Community Development Owner-Occupied Housing Rehabilitation Program in order to obtain adequate, decent, safe, and sanitary housing;

WHEREAS, City has determined that rehabilitation of Owner's existing dwelling is not a feasible alternative, and Owner has otherwise qualified for financial assistance under the City's Optional Relocation Program (the "City's Program"); and

WHEREAS, City has determined that it is appropriate under the City's Program to provide Owner certain relocation payments and assistance necessary to accomplish the voluntary relocation of Owner from the currently-occupied, substandard, un-rehabable dwelling into an adequate, safe, and sanitary replacement dwelling.

NOW, THEREFORE, City and Owner for and in consideration of the covenants and promises as set forth herein, do agree as follows:

TERMS AND CONDITIONS

1. City shall provide financial assistance to Owner in the form of a grant for the purpose of demolishing the Owner's current, substandard and un-rehabable dwelling located at 610 Highland Street in College Station, Texas; being more particularly described by its legal description as follows:

> South 40' of Lot Eleven (11) and the North 23' of Lot Twelve (12), Block Three (3), West Park Addition, City of College Station, according to plat thereof recorded in Volume 102, Page 198 of the Deed Records of Brazos County, Texas.

2. City shall provide financial assistance to Owner in the form of a deferred payment loan in an amount not to exceed City's budgetary authority as set forth in the City's Program Guidelines, as amended, for the purposes of either constructing or purchasing an adequate, decent, safe, and sanitary replacement dwelling for Owner at a selected site. Owner's selection of either constructing a replacement dwelling or purchasing a replacement dwelling and the location of such replacement dwelling is indicated below [one option must be selected and indicated by Owner's initials]:

_____ constructing a replacement dwelling on the original site of Owner's current, substandard and un-rehabable dwelling, which site is to be temporarily vacated by Owner.

_____ constructing a replacement dwelling on an alternate site in the City of College Station provided by Owner, the legal description of such alternate site being as follows:_____

_____

_____

_____ constructing a replacement dwelling on an alternate site acquired using Replacement Housing Payment funds where subject property is not appropriate for redevelopment and with the agreement that the homeowner will trade lots with the City, if the City has a lot available, with the legal description of the alternate site being as follows:_____

_____

_____

_____

_____ purchasing a replacement dwelling that is located in the City of College Station and that meets all local structural, building, and safety standards, codes, and regulations. The legal description of such replacement dwelling being as follows:_____

_____

_____

3. For the cost of constructing or purchasing a replacement dwelling, Owner will receive a deferred payment loan, potentially to be forgiven in full ten (10) years from the date of the loan's promissory note from Owner to City (the "Note"). The loan and Note shall be secured by a deed of trust from Owner to City on the replacement dwelling and its lot or tract (hereinafter the "Property"). The loan shall bear no interest on the principal outstanding balance. Provided that Owner continues to satisfy occupancy requirements as outlined in the program guidelines and fully complies with all other provisions of the Note, the Deed of Trust, and the City's Program Guidelines, as now stated, the amount of the outstanding principal balance shall be reduced by one/one-hundred and twentieth (1/120) per month during the term of the Note. If prior to the expiration of the ten (10) year term of the Note, the Owner moves from, sells or transfers the Property, Owner agrees to sell the Property to a low or moderate-income family as stated in Paragraph 13(c) of this Agreement, unless as in the case of death of Owner, the unit is occupied by controlling or surviving family members, regardless of income. If prior to the expiration of the ten year term of the Note, Owner moves from, sells, or transfers the Property without selling the Property to a low or moderate-income family or otherwise defaults under the terms of the Note or deed of trust, Owner shall repay the then outstanding balance due on the Note.

4. Owner understands that the City's maximum budgetary authority for the construction or purchase of a replacement dwelling is subject to the City's Program Guidelines

and may not, under any circumstances, exceed SIXTY THOUSAND AND NO/100 DOLLARS ($60,000.00), as specified in the Optional Relocation Program Guidelines, and an additional THREE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS ($3,500.00) for families with handicapped members to be used to address special and accessibility needs.

5. In the event that Owner and City have agreed, as indicated above in Paragraph 2 of this Agreement, to construct a new replacement dwelling rather than purchase an existing dwelling, Owner agrees to the following terms and conditions.

(a) After bid advertisement and acceptance of the bid proposal by Owner, where appropriate, a Construction Contract will be signed by Owner with the selected contractor on a form provided by City. The contractor must have been screened by City for inclusion on its list of approved bidders for City-assisted Residential New Construction projects. City will monitor progress, performance, and quality of work by the contractor through periodic on-site inspections until work is completed as specified in the Construction Contract documents and until the final inspection report is signed by Owner. City will release the City-financed portion of draws according to the payment schedule set forth in the Construction Contract documents and upon verification of value in place as the work progresses.

(b) City shall aid in the development of the construction proposal and cost negotiations with the contractor, maintain the photographic work needed for the write-up and documentation, carry out on-site inspections to monitor contractor performance and quality assurance, and process approved change orders for performance of additional or modified work activities, as required by the construction.

(c) Owner agrees that it is his/her responsibility to see that the contractor completes the work specified and that City has no responsibility for any faulty or incomplete work of the construction contractor. Owner also agrees that hidden or latent conditions not covered by the original inspection or work write-up are not the fault of City, nor is City liable for such conditions.

(d) Owner agrees not to allow any changes or additions to the plans and specifications in the Construction Contract without written approval of a change order from City. Owner understands and agrees that any work agreed to by Owner and the Contractor and undertaken without the City's prior written approval shall be at the sole and entire expense of the Owner and shall be the sole responsibility of the Owner. Owner agrees to consider any change orders presented by the Contractor and having the City's approval.

(e) In the event that Owner wishes to terminate the Construction Contract with the contractor, Owner must obtain concurrence of City. Owner understands and agrees that breach, including delays, of the Construction Contract by either Owner or contractor shall constitute grounds, pursuant to this Agreement, for City to revoke its funding for this project, and exercise its security interest in the Property

for the purpose of recovering any City funding already disbursed. Waiver of any breach under this Agreement does not constitute a waiver of other breaches. Owner further agrees that City, as the Owner's Representative, may, and is hereby authorized to, terminate the Construction Contract for any breach of that contract by the Contractor.

6. If required and if pre-approved by City, City agrees to pay the cost of Owner's pre-approved and actual reasonable moving expenses for Owner's move from the original, vacated dwelling to the replacement dwelling.

7. If required and if pre-approved by City, City agrees to pay the following: (a) utility transfer or hook-up fees that, as determined by City, are necessary; (b) approved closing and settlement costs related to the purchase of the replacement dwelling; (c) the cost for adequate temporary housing, if applicable; and (d) other expenses determined necessary by City to complete the rehousing of Owner. Owner agrees that the provision of temporary housing by the City, if applicable, shall cease upon completion of the project and that the Owner shall vacate said temporary housing at such time as the City gives notice that the project is complete and the Property is ready for occupancy.

8. Owner agrees voluntarily to vacate permanently the currently-occupied, substandard dwelling within ten (10) calendar days notice by City of the need to vacate.

9. Owner agrees and hereby irrevocably authorizes the complete demolition and removal of the currently occupied dwelling and clearance by City of the entire property. Owner hereby agrees to forfeit any and all rights to salvage materials or fixtures from the currently-occupied dwelling prior to, during, or after demolition. Owner further releases City from any and all claims arising from this demolition work.

10. Owner agrees to vacate temporary housing and take immediate possession and occupy the replacement dwelling within ten (10) days of issuance of the Certificate of Occupancy and City's determination that the unit is ready for occupancy.

11. As part of the consideration for the financial assistance described above, Owner agrees to comply with all of the following terms in reference to the replacement dwelling

(a) the Property must be maintained to meet all applicable City code requirements;

(b) the exterior of the replacement dwelling must be maintained in good repair, including siding, weatherproofing, roof, windows, and doors;

(c) all vegetation on the Property, including any lawn, turf, shrubs, bushes, and trees, must be maintained and trimmed on a regular basis;

(d) the interior of the replacement dwelling shall be kept in a clean and sanitary living condition;

(e) the full value of the Property, with all improvements thereto, must be fully insured against loss by a standard homeowner's policy, a copy of which shall be provided to and approved by City and shall list City as certificate holder; and

(f) mortgage payments, if any, and all hazard or homeowner's insurance premiums and property taxes on the Property shall be paid on a timely basis.

12. Owner further agrees to comply with all the terms and conditions contained in the City's Community Development Administrative Guidelines, the Owner-Occupied Housing Rehabilitation Program Guidelines, the Optional Relocation Program Guidelines, the Note, and the Deed of Trust.

13. Owner agrees to execute a Deed of Trust for the benefit of City upon the Property with the following terms:

(a) Owner must reside on the Property for not less than ten (10) years or meet the occupancy requirements as specified in the Program Guidelines

(b) In the event that the Owner dies during the lien period or is not medically able to occupy the structure, the controlling or surviving family members may occupy the property regardless of income; and

(c) In the event that Owner sells, transfers, or moves from the Property during the ten (10) year period, Owner agrees to either sell or offer the Property for sale to a low or moderate-income family that has been qualified by the City's Community Development Office; or

(1) sell or offer the Property for sale to a low or moderate-income family that has been qualified by the City's Community Development Office; or

14. Owner further agrees to comply with all applicable local, State, and Federal laws, ordinances, and regulations, including but not limited to those set forth below.

(a) For any property rehabilitated under this Agreement that lies within the 100 year flood plain, the Owner agrees to purchase Federal Flood Insurance as required under the Flood Plain Protection Act of 1973, 42 U.S.C. 4001 et. Seq.

(b) Owner agrees to comply with the policies and procedures relating to removal and non-use of lead-based paints in accordance with the Lead-Based Paint Poisoning Prevention Safety Act, 42 U.S.C. §§ 4821-4846, and the implementing regulations at 27 C.F.R. § 35.

(c) Owner agrees to comply with the provisions of 24 C.F.R. § 24 relating to the employment, engagement of services, awarding of contracts, or funding of any contractors or subcontractors during any period of debarment, suspension, or placement on ineligibility status.

15. In consideration of the financial assistance provided to Owner as described above, Owner agrees to and shall indemnify and hold harmless and defend City, its officers, agents, and employees from and against any and all claims, losses, damages, causes of action, suits, and liability of every kind, including all expenses of litigation, court costs, and attorney's fees, for injury to or death of any person, or for damage to any property, or for breach of contract, arising out of or in connection with the purchase or construction of a replacement dwelling and the demolition work done by City or a contractor under this Agreement. This indemnity shall apply regardless of whether such injuries, death, damages, or breach are caused in whole or in part by the negligence of City.

16. City by this Agreement does not consent to litigation and the City hereby expressly revokes any consent to litigation that it may have granted by the terms of this Agreement, charter, or applicable state law. Owner assumes full responsibility for the work to be performed under this Agreement and releases, relinquishes, and discharges City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person (whether they be third persons, Owner, or employees of either of the parties hereto) and any loss of or damage to property (whether the loss or damage be that of either of the parties or of third parties) caused by or alleged to be caused by, arising out of, or in connection with the work to be performed under this Agreement. This release shall apply regardless of whether said claims, demands and causes of action are covered in whole or in part by insurance and regardless of whether said injury, death, loss, or damage is caused in whole or in part by the negligence of the City.

17. This Agreement constitutes the entire agreement between the parties. There are no covenants, promises, agreements, conditions, or understandings, either oral or written, between the parties other than what are set forth or described herein. The parties further agree that this Agreement shall be interpreted under the laws of the State of Texas and that exclusive venue for all matters pertaining to the performance or interpretation of this Agreement shall be in Brazos County, Texas.

18. The words "Owner" and "City" and all personal pronouns or relative words used in this Agreement with reference to the parties shall apply regardless of number or gender.

19. This Agreement and the rights and obligations contained herein may not be assigned by Owner without the prior written approval of City.

CITY OF COLLEGE STATION

Lawrence C. Nemec

LAWRENCE C. NEMEC, Owner
Date: 8/20/2001

By: _____
LYNN McILHANEY, Mayor
Date: _____

CRC 3/21/00
Contract No. 01-171
8/20/01

ATTEST:

_____
CONNIE HOOKS, City Secretary
Date:_____

APPROVED:

_____ _____
Thomas E. Brymer, City Manager Date

_____ 8/23/01
City Attorney Date

_____ _____
Charles Cryan, Director of Fiscal Services Date

_____ _____
Glenn Brown, Assistant City Manager Date

_____ 8/23/01
Randy Brumley, Administrator Date
Community Development

THE STATE OF TEXAS §
§ ACKNOWLEDGMENT
COUNTY OF BRAZOS §

This instrument was acknowledged before me on the 20th day of August, 2001, by Lawrence C. Nemec.

_____
NOTARY PUBLIC in and for the
STATE OF TEXAS

GREGG A. LANCASTER
Notary Public State of Texas
My Commission Expires
OCTOBER 16, 2004

CRC 3/21/00
Contract No. 01-171
8/20/01

THE STATE OF TEXAS §
§ ACKNOWLEDGMENT
COUNTY OF BRAZOS §

This instrument was acknowledged before me on the _____ day of _____, 2001, by Lynn McIlhaney, as Mayor of the City of College Station, a Texas municipal corporation, on its behalf.

_____
NOTARY PUBLIC in and for
the STATE OF TEXAS