

NO! Shoddy housing programs

NO! Toxic Homes

NO! Land Grabs

NO! Misuse Of Power



A.L.M.A.

Austinites Lobbying for Municipal Accountability

www.austinaccountabilityproject.com

NIGHTMARE IN EAST AUSTIN:

As it was read on KOOP RADIO SHOW 'A NEIGHBORLY CONVERSATION'

(Wednesday November 21, 2007)

"A City of Austin 'Rehab' Job that Totaled My Home"

A City of Austin 'Affordable' Housing Home 'Improvement' Loan Rendered My Home "Unaffordable"

Fact is:

I'm the only one of the 3 parties (City, Contractor, Me) who actually abided by the contract. Yet I'm the only one whose been penalized and held to the contract's terms. The Contractor abandoned the project and breached the contract. The City did not release the Federal Funds from its escrow account to my home. And yet the **City required me to repay the 'loan' per the terms of the contract, as if funds were applied; and the City of Austin demanded that I relinquish the contractor from liability and from the contract, while the City of Austin simultaneously enforced that very same contract against me – the client AND the ONLY one who did NOT break the contract.**

Why did the City of Austin: Punish the client for the contractor's misdeeds; and reward the contractor for bad behavior?

While I could've pursued a rehab loan through traditional means, I chose instead to work in partnership with the City of Austin because of its advertised desire to retain and attract members to my neighborhood through the homestead incentives that it offered.

Unfortunately, my experience with the City's loan program proved to be far more costly and disruptive to homeownership than a traditional loan ever would have been. What the City advertised in order to attract participants vs. what it delivered appears to be a **violation of the public trust**, and raises the question of **bait & switch tactics**. While a traditional loan application process rarely exceeds 2 months, the City took approx. 15 months to process my application. **My son was 1.5 years old at that time. He is now 14.5 years old and we have only recently completed the majority of the rehab project that the City should have completed over a decade ago in 1996.** Additionally, we are still repairing damages caused by the City and its contractor.

The City's contractor performed substandard work and demanded payment for work either not done or not done to code. Then she abandoned the project shortly after the job commenced. **The City passed inspection on faulty wiring that was later inspected by an outside expert electrician who considered it to be a fire hazard.** The City demanded that I pay the contractor for substandard work; and also failed to replace the contractor and resume work on the project. In fact the **City demanded that I relinquish the contractor from any liability & dissolve my contract, thus demanding that I surrender my rights and protections.** Needless to say, I declined to comply with this demand UNLESS the City would provide *in writing* an alternate document that *legally* preserved my rights and protections per the original contract. After nearly 2 years of being given the runaround by The City, I filed suit.

Both the City and the contractor abandoned their obligations per the terms of the loan agreement. Construction, was supposed to take only 3 months. **However 9 months later, and approx. 6 months after the contractor abandoned the project, the City still had failed to replace the contractor.** My home sat empty

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and decaying from exposure. For lack of alternate shelter, **my toddler son and I moved back into our house that was now in worse condition than it was before the City touched it.** Upon returning, the **first words out of my 3-yr. old son's mouth were "House Broken"**... he immediately grabbed a bucket of primer and began painting. We returned home to find **used condoms inside the house and throughout the yard and driveway.** If it were not for my family's own sweat equity, and use of our personal funds, to complete the project INCLUDING remediation of damages created by The City & the City's contractor, my home would still be incomplete, and deteriorating. It was also later discovered that after the City's "con"/DEstruction project on my home, the interior structure and the yard were subsequently **contaminated with extremely high levels of lead and cadmium dust from the City's contractor's questionable removal of old paint.** The area was so severely contaminated that the soil was actually legally classified as hazardous waste, and the **City dump would not even accept it.**

Although *(to my knowledge)* **no loan funds were ever applied to my "rehab" project;** however **The City held me liable for the funds as if they had been applied.** In essence, **The City of Austin required me to repay a loan that I never had.** As part of these terms of repayment, The City of Austin required me and my young son to reside in the **structurally and environmentally hazardous home for over 6.5 years.** The City of Austin enforced its residence requirement via a lien with Power of Sale.

The City was aware that the home was classified as "hazardous waste", yet **still refused** to relinquish their enforced residence requirement of me. Even after the financial reports reflected that **I owed a zero balance, the City refused to remove the lien for over another year.** Consequently, my hope to **give birth to another child was crushed.** **Lab tests** for my husband, son & I have all **tested positive for elevated levels of lead.**

The rehab project was originally bid at ~ **\$17,000.** However, because of the damages that were created by the contractor's incompetence, and ultimate abandonment; combined with the City's failure to resume the project, additional and extensive weather damages were imposed on my home. **The City's and Contractor's negligence hence transformed an originally estimated \$17,000. rehab job into a Repair Nightmare that was last bid for \$86,000.** Both, the estimated **\$86,000** Repair Nightmare, PLUS the repayment of the original loan *(that apparently the City never applied)* was solely covered at my & my family's expense.

Early on after the contractor abandoned work on and caused damage to my home, I attempted several efforts at resolution and subsequently **requested the City settle cost of repairs for \$25,000., (a fraction of the cost of the actual repairs).** The City Council instead authorized no less than **\$177,000. of taxpayer** money to hire outside private legal counsel to suppress my claims that I ultimately had no other choice, but to file. At least 2 Council Members (including one **Council Member who owned the insurance agency that insured the contractor, PLUS other City rehab projects)** were aware of the City's & Contractor's violations, yet Council still authorized taxpayer monies to be used in a litigation against me.

This chronic state of unsettledness in our home affected my son's health and well-being during his formative years. It altered the course of our family life, our social life, our education & careers dramatically. **It defined the span of my son's childhood.**

In hindsight, a traditional loan would've been far less costly and more supportive of promoting homesteads in my neighborhood.

- ❖ In 2003 & 2007, the City of Austin **LeadSmart** program received **\$1.8 Million**, and **\$3.7 Million** in Federal Grant Money. To Date, the City of Austin has declined to take responsibility for the lead contamination it caused to my home.
- ❖ **Austin Housing Works** hosted the **Housing & Education Summit (11/10/07).** **Superintendent Pat Forgione emphasized the interdependence between school performance & access to safe decent housing.**

The repercussions to my son's education as a result of our own housing crises, brought about by the City of Austin's handling of my project, is no exception.

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