



RESOLUTION NO. 23-46

RESOLUTION AUTHORIZING THE SETTLEMENT AND MUTUAL RELEASE OF CLAIMS IN CAUSE NO. 2017-71486, STYLED HUSSION STREET BUILDINGS LLC PLAINTIFF, V. HARRIS COUNTY HOUSING AUTHORITY PUBLIC FACILITY CORPORATATION, HARRIS COUNTY REDEVELOPMENT AUTHORITY, INC., PUTATIVE DEFENDANTS FENIX ESTATES COMMERCIAL LLC, FENIX ESTATES I GP LLC, HARRIS COUNTY HOUSING AUTHORITY, AND QUALIFIED CONSTRUCTION, INC., *ET AL., DEFENDANTS*

RECITALS

WHEREAS, Hussion Street Buildings, LLC owns real property and improvements located at 1901 Hussion Street, Houston, Harris County Texas (Plaintiffs or Hussion); and

WHEREAS, in September 2015, Harris County Housing Authority (HCHA) through its Development Partner (Fenix Estates) purchased a land site behind Hussion's property for the purpose of building an affordable housing project; and

WHEREAS, in May 2017, following the closing of the loan, Fenix Estates contracted with Qualified Construction, Inc. (Qualified) to provide General Contracting Services; and

WHEREAS, in October 2017, Hussion sent a demand notice to Qualified, and Harris County Housing Authority Redevelopment Authority, Inc (HCHA-RA) alleging that during construction, its sewer line was cut; and

WHEREAS, on October 23, 2017, Hussion filed suit against Harris County Housing Authority Public Facility Corporation (Public), HCHA-RA, and Qualified alleging damages via five different legal theories of recovery including Inverse Condemnation; and

WHEREAS, in February 2018, HCHA granted a five-foot Sanitary Sewer Easement to Hussion on HCHA's property for the sole purpose of constructing a new sanitary sewerline at HCHA's cost to replace the damaged line; and

WHEREAS, in May 2018, HCHA notified Hussion of the completion of the new sanitary sewerline and that Hussion could connect the sanitary sewerline at will utilizing the Easement granted by HCHA; and

WHEREAS, in September 2018, Hussion filed a third Amended Petition adding Fenix Estates 1 GP LLC and Fenix Estates Commercial, LLC among others; and

WHEREAS, on October 24, 2018, HCHA filed an intervention in the Hussion suit to condemn the property; and

WHEREAS, in June 2019, the additional drainage work between 1901 Hussion and Fenix Estates' property along Coyle Street was completed; and

WHEREAS, Hussion added HCHA as a Defendant to the lawsuit on November 6, 2019; and

WHEREAS, HCHA dismissed its condemnation suit against Hussion on June 10, 2021; and

WHEREAS, the Court ordered the parties to mediation on October 18, 2021; and

WHEREAS, the parties' attended mediation, in July 2023 with a private mediator, and reached consensus on most material disputes save and except the mechanism to determine the viability of being able to connect the new 2017 line to Hussion's sewerline at its exit point, thus no written agreement was entered into between the parties; and

WHEREAS, the parties after mediation continued to negotiate a settlement of the suit and after addressing both parties concerns relative to the feasibility of connecting the new sewerline that was constructed by HCHA in 2017 to Hussion's sewerline at its exits point, as earlier determined by HCHA's plumbers the parties reached agreement on all terms of settlement; and

WHEREAS, it is the parties' intent through this Resolution to settle the above-numbered cause by mutual agreement and hereby request approval of such Settlement.

NOW, THEREFORE, BE IT RESOLVED that HCHA's Board of Commissioners authorizes its Executive Director to negotiate to finality and execute an Agreement of Settlement and Mutual Release of Claims with Hussion Street Buildings LLC (Plaintiff) regarding the settlement of a legal dispute between Plaintiff and Harris County Housing Authority, (Defendant) in accordance with the discussion points presented in Executive Session whether said settlement funds are paid individually or collectively by HCHA or any HCHA affiliated entity, with all other terms to be substantially the same as those in the draft Agreement of Settlement and Mutual Release of Claims.

PASSED by the Board of Commissioners this 15th day of November 2023.

Chair: _____



GERALD WOMACK

Secretary: _____



MELISSA QUIJANO