

City of Columbia

701 East Broadway, Columbia, Missouri 65201



Agenda Item Number: B 250-14

Department Source: Community Development - CDBG/Home

To: City Council

From: City Manager & Staff

Council Meeting Date: August 4, 2014

Re: Approving an Ordinance for the Purchase of Tax Sale Properties Located at 903 Garth Avenue and 512 Mary Street.

Documents Included With This Agenda Item

Council memo, Resolution/Ordinance

Supporting documentation includes: Maps

Executive Summary

Council approval of this ordinance will authorize the City Manager to purchase tax sale property located at 903 Garth Avenue and 512 Mary Street. The properties consist of vacant and dilapidated structures. 903 Garth Avenue is a 10,014 square foot lot, and 512 Mary Street is a 7,417 square foot lot. Rehabilitation of the structures has been determined to be cost prohibitive. If the ordinance is approved, the City will submit tax sale bids on both properties. City staff plans to demolish the structures with CDBG funds after clear title is achieved and redevelop the sites with HOME funding. Preliminary plans include redeveloping the sites with affordable single family residential structures including energy efficiency and Universal Design features.

Discussion

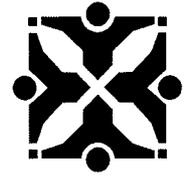
The Community Development Department Division of Neighborhood Services has been working with 903 Garth Avenue and 512 Mary Street property owners to resolve property maintenance concerns pertaining to the structures. The homes have been vacant for an extended period of time and are not in livable condition.

NSP guidelines require properties purchased through tax sale or foreclosure to be purchased at 99% of the appraised market value. City staff utilized previous appraisal data analysis valuing vacant residential land in the central City at \$1.04 to \$3.02 per square foot, less any demolition costs. An NSP compliant tax sale bid will = $(99\%) \times ((\$3.02 \times \text{lot sq. ft.}) - (\text{demolition costs}))$. Bids for the 2 properties will be as outlined in the following chart:

Property	Bid Equation	Final Bid
903 N. Garth Avenue	$((\$3.02 \times 10,014 \text{ sq. ft.}) - (\$14,000)) \times (99\%)$	\$16,080
512 Mary Street	$((\$3.02 \times 7,417 \text{ sq. ft.}) - (\$14,000)) \times (99\%)$	\$8,315

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Upon Council approval of the ordinance, the City plans to submit a bid for both properties at tax sale, demolish the structures with CDBG funding and redevelop the lots with HOME funds. Preliminary plans are to develop the lots with single family residential structures that include energy efficiency and Universal Design features.

Fiscal Impact

Short-Term Impact: NSP funds: \$24,395 estimated bid due at tax sale
NSP funds: \$1,600 mowing and additional disposition costs
CDBG funds: \$28,000 for demolition

Long-Term Impact: HOME funds: Up to approximately \$150,000 in HOME funds for redevelopment, if the City utilizes a Community Housing Development Organization (CHDO).

Vision, Strategic & Comprehensive Plan Impact

Vision Impact: Health, Social Services and Affordable Housing

Strategic Plan Impact: Health, Safety and Wellbeing

Comprehensive Plan Impact: Mobility, Connectivity, and Accessibility, Livable & Sustainable Communities

Suggested Council Action

Approve the attached ordinance authorizing the City Manager or designee to submit bids on 903 Garth and 512 Mary at the Boone County Tax Sale being held on August 25, 2014.

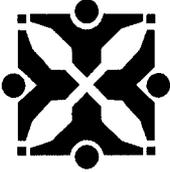
Legislative History

To date the City of Columbia has purchased the following properties with NSP funds:

13 E Forest, Rehabilitation, complete
711 Mikel, Rehabilitation, complete
904 Madison, Rehabilitation, complete
102 E. Sexton, Rehabilitation, complete
908 Madison, Demolition and Redevelopment, complete
603 N. Fourth, Demolition, land bank
106-110 W Sexton: Demolition, land bank
413 W Ash, Demolition and Redevelopment, in-progress
208 Ridgeway, Demolition and Redevelopment, in-progress
802 Hirth, Demolition in progress, redevelopment plans underway

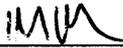
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Department Approved



City Manager Approved

Introduced by _____

First Reading _____

Second Reading _____

Ordinance No. _____

Council Bill No. B 250-14

AN ORDINANCE

authorizing the purchase of properties located at 903 Garth Avenue and 512 Mary Street using Neighborhood Stabilization Program funds; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Manager is hereby authorized to purchase property located at 903 Garth Avenue using Neighborhood Stabilization Program funds in an amount not to exceed \$16,080.00. This property is being sold at a tax sale by the Boone County Collector of Revenue.

SECTION 2. The City Manager is hereby authorized to purchase property located at 512 Mary Street using Neighborhood Stabilization Program funds in an amount not to exceed \$8,315.00. This property is being sold at a tax sale by the Boone County Collector of Revenue.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

PASSED this _____ day of _____, 2014.

ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor

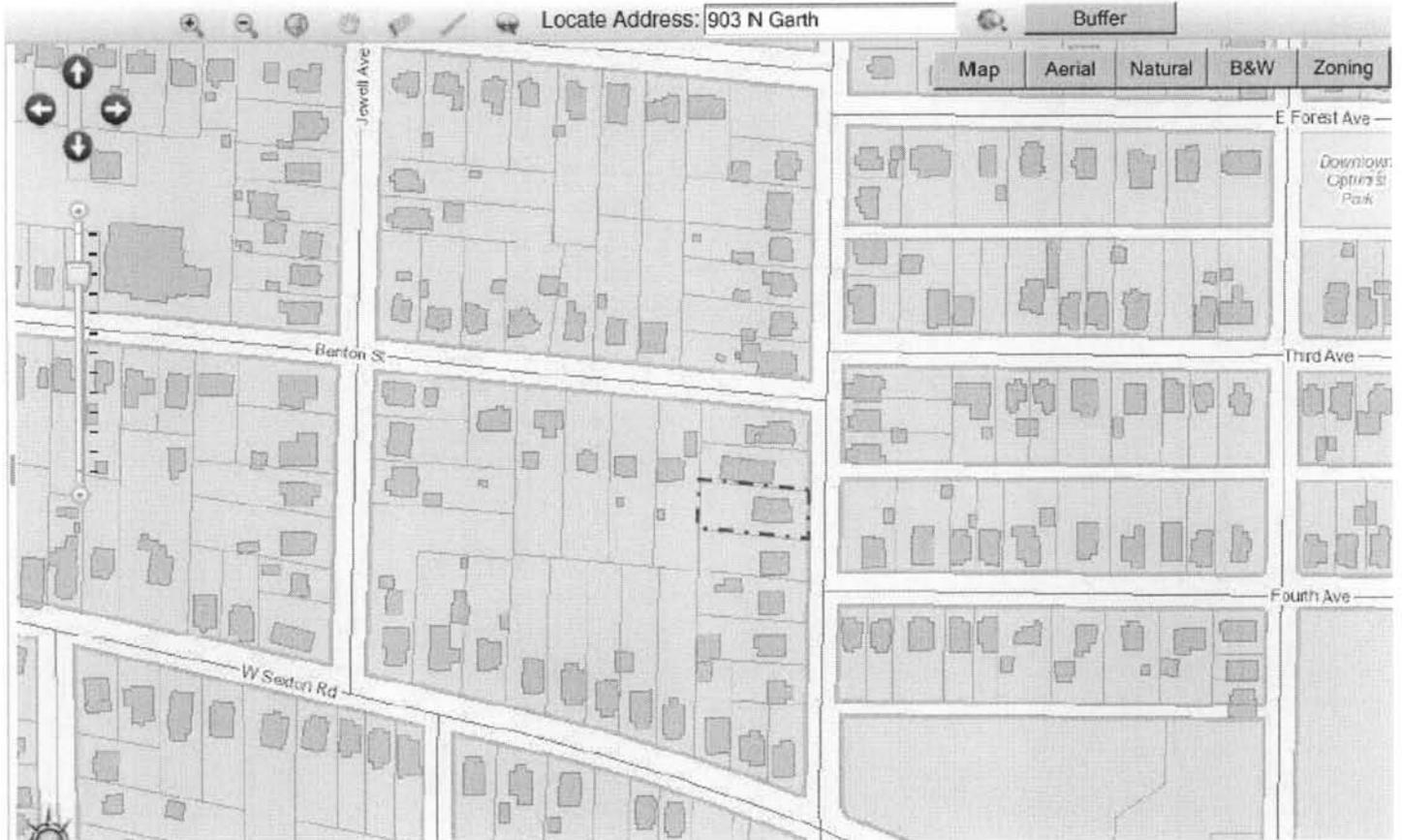


SUPPORTING DOCUMENTS INCLUDED WITH THIS AGENDA ITEM ARE AS FOLLOWS:

Maps

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