



Legislation Text

File #: ID#16-2842, Version: 1

SUBJECT/RECOMMENDATION:

Approve five purchase contracts for the City's purchase of real property located within the 600 block of North Garden Avenue, Clearwater, Florida, with a total purchase price of \$754,500 and total expenditures not to exceed \$900,000, and authorize the appropriate officials to execute same, together with all other instruments required to affect closing.

SUMMARY:

The five contiguous properties are located in the block bordered by North Garden Avenue, Eldridge Street, Maple Street and the Pinellas Trail. Spruce Street bisects the block from north to south. The proposed assemblage contains 60,160 square feet (1.38 acres). The Economic Development and Housing Department proposes to acquire this property to create homeownership inventory under an affordable housing program. The site is suitable for construction of 13 single-family, three-bedroom homes.

The proposal includes the City acquiring the property, performing various tasks such as resident relocation assistance, an environmental analysis/remediation and demolition of existing improvements. When complete, the City will then sell the property to a firm qualified to produce single family homes to people qualifying at 80% of Area Median Income or below. The project will complement the adjacent 76-unit housing project and will create workforce housing within the City's North Greenwood Neighborhood Revitalization Strategy Area (NRSA). Characteristics of a NRSA are an aging housing stock and lack of owner equity. This project will help to achieve goals established in the 2016/17-2019/20 Consolidated Plan and 2016/17 Annual Action Plan to provide availability of, and accessibility to, affordable housing for the residents of the City of Clearwater.

The City will use HOME funding made available from the United States Department of Housing and Urban Development and other non-federal housing grant and/or program income dollars to fund the acquisition. The majority of these funds will be recaptured upon the sale of the property to a qualified developer, and the same funding sources will be used to assist with development costs. Commercial Investment Appraisers performed an appraisal and valued the property at \$780,000 with a valuation date of August 1, 2016.

Property	Owner	Area	Price
09-29-15-08622-000-0361	David Dupuis	2,475 SF	\$72,500
09-29-15-08622-000-0390	John Spagnola	5,000 SF	\$47,000
09-29-15-08622-000-0350	Ilhan Bilgutay	7,425 SF	\$168,750
09-29-15-08622-000-0330	Pace Technology	4,950 SF	
09-29-15-08622-000-0320	Pace Technology	4,950 SF	\$206,250
09-29-15-08622-000-0310	Pace Technology	4,950 SF	(3 Parcels)

09-29-15-08622-000-0400	Al Guy	14,800 SF	\$260,000
<u>09-29-15-08622-000-0450</u>	<u>Al Guy</u>	<u>10,660 SF</u>	<u>(2 Parcels)</u>
TOTAL		60,160 SF	\$754,500

Anticipated acquisition costs:

Purchase price	\$754,500
Environmental audit/remediation	\$15,000
Appraisal	\$2,700
Closing costs	\$5,000
Broker Fee	\$15,000
Demolition	\$70,000
Survey	\$5,000
Relocation Assistance	\$32,800
TOTAL	\$900,000

APPROPRIATION CODE AND AMOUNT:

Funding for this project is available with the use of HOME funding from the United States Department of Housing and Urban Development, State Housing Initiatives Partnership Program and the Pinellas County Housing Trust Fund.

USE OF RESERVE FUNDS:

N/A