



## Legislation Text

File #: ID#21-8704, Version: 1

### SUBJECT/RECOMMENDATION:

Approve the Contract for Purchase of Real Property by the City of Clearwater of certain real property located at 1011 Engman Street, with a purchase price of \$350,000 and total expenditures not to exceed \$391,000, authorize the appropriate officials to execute same, together with all other instruments required to affect closing, and approve the transfer of \$391,000 from general fund reserves at first quarter to cover the cost of the purchase. (consent)

### SUMMARY:

The subject property is located in the North Greenwood community and is owned by Springtime Elks Lodge 592, Inc. The property has a total land area of 22,500 square feet (0.52 acres). The property contains a two-story structure of approximately 10,690 square feet. The structure is dated and in need of significant repairs. If the property is acquired, staff recommends demolition of the structure.

Through various programs and initiatives, the city is making efforts to improve economic and socioeconomic conditions within the North Greenwood community. Acquisition of this property will provide an opportunity to create commercial development opportunities along North Martin Luther King Jr. Avenue, an underutilized commercial corridor.

James Millspaugh and Associates, Inc. performed an independent appraisal on the property and determined the value of the property to be \$350,000 with a valuation date of September 1, 2020.

#### Acquisition Costs:

Purchase Price	\$350,000
Survey	\$4,000
Demolition	\$35,000
<u>Closing Costs</u>	<u>\$1,000</u>
<b>TOTAL</b>	<b>\$391,000</b>

### APPROPRIATION CODE AND AMOUNT:

A first quarter amendment will increase cost code 0107010-560300, Land Development, funded by an allocation of General Fund reserves.

### USE OF RESERVE FUNDS:

Funding for this contract will be provided by a first quarter budget amendment allocating General Fund reserves in the amount of \$391,000. Inclusive of this item if approved, a net total of \$1,448,652 of General Fund reserves has been appropriated by Council to fund expenditures in the 2020/21 operating budget. The remaining balance in General Fund reserves after the 8.5% reserve is approximately \$34.3 million, or 22.6% of the current General Fund operating budget.