

ST. PETERSBURG CITY COUNCIL

Meeting of May 7, 2009

TO: The Honorable Jeff Danner, Chair and Members of City Council

SUBJECT: Authorizing the Mayor, or his Designee, to purchase under the Neighborhood Stabilization Program, one (1) bank-owned, foreclosed and unoccupied parcel located at 3645 - 17th Avenue South, St. Petersburg, for the sum of \$34,000; to pay closing related costs not to exceed \$7,500; to rehabilitate or redevelop the property for an amount not to exceed \$100,000; and to sell the property in accordance with the requirements of the Department of Housing and Urban Development and Section 2301(d)(2) of Housing and Economic Recovery Act 2008; and to execute all documents necessary to effectuate same; and providing an effective date.

EXPLANATION: City of St. Petersburg ("City") staff has identified the following property under the U.S. Department of Housing and Urban Development's ("HUD") Neighborhood Stabilization Program ("NSP") authorized under Title III of the Housing and Economic Recovery Act of 2008 ("HERA"). The NSP provides grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes.

With the utilization of the NSP funds, the acquisition of the subject property will provide the City the opportunity to redevelop a bank-owned, foreclosed and unoccupied property that might otherwise be a source of abandonment and blight within our community.

The subject property's title to the fee simple estate or interest is vested in Wachovia Bank NA as Trustee for the Registered Holders of Aegis Asset-Backed Securities Trust Mortgage Pass Through Certificates, Series 2004-2 ("Seller"). The subject property is shown as Parcel "D" on the sketch. It has a Gross Living Area consisting of 1,143 sq. ft. with 2 Bedrooms/1 Bath; a Lot Size consisting of 6,060 sq. ft.; Actual Age being 51 years; and is legally described as follows:

The South 60 feet of Lots 93 and 94, RIDGEWOOD TERRACE, according to the map or plat thereof as recorded in Plat Book 5, Page 81, of the Public Records of Pinellas County, Florida
Street Address: 3645 - 17th Avenue South, St. Petersburg
Pinellas County Parcel I.D. No.: 27/31/16/75402/000/0931

The subject property was appraised on March 26, 2009 by Paul Willies, State Certified General Appraiser, who indicated the value of the property to be \$40,000. The Seller has agreed to accept \$34,000 in accordance with NSP requirements. Additionally, the City shall not pay more than \$7,500 in closing costs.

James E. Greenfield, Greenfield Environmental, Inc., conducted a Phase I environmental site assessment and in his professional opinion, contained in the report received by the City on April 28, 2009, the property had no evidence or indication of Recognized Environmental Conditions.





The City may allocate up to \$100,000 for the rehabilitation or the redevelopment of the subject property, which will become a part of the City's Affordable Housing Program in accordance with the requirements of HUD, HERA and the NSP. The subject property will be sold in accordance with Section 2301(d)(2) of HERA. The aforementioned Section 2301(d)(2) directs that if an abandoned or foreclosed-upon home or residential property is purchased, redeveloped, or otherwise sold to an individual as a primary residence, then such sale shall be in an amount equal to or less than the cost to acquire and redevelop or rehabilitate such home or property up to a decent, safe, and habitable condition.

RECOMMENDATION: Administration recommends that City Council authorize the Mayor, or his Designee, to purchase under the Neighborhood Stabilization Program, one (1) bank-owned, foreclosed and unoccupied parcel located at 3645 - 17th Avenue South, St. Petersburg, for the sum of \$34,000; to pay closing related costs not to exceed \$7,500; to rehabilitate or redevelop the property for an amount not to exceed \$100,000; and to sell the property in accordance with the requirements of the Department of Housing and Urban Development and Section 2301(d)(2) of Housing and Economic Recovery Act 2008; and to execute all documents necessary to effectuate same.

COST/FUNDING/ASSESSMENT INFORMATION: Funds are available in Fund 1114 - Neighborhood Stabilization Program.

ATTACHMENTS: Sketch and Resolution

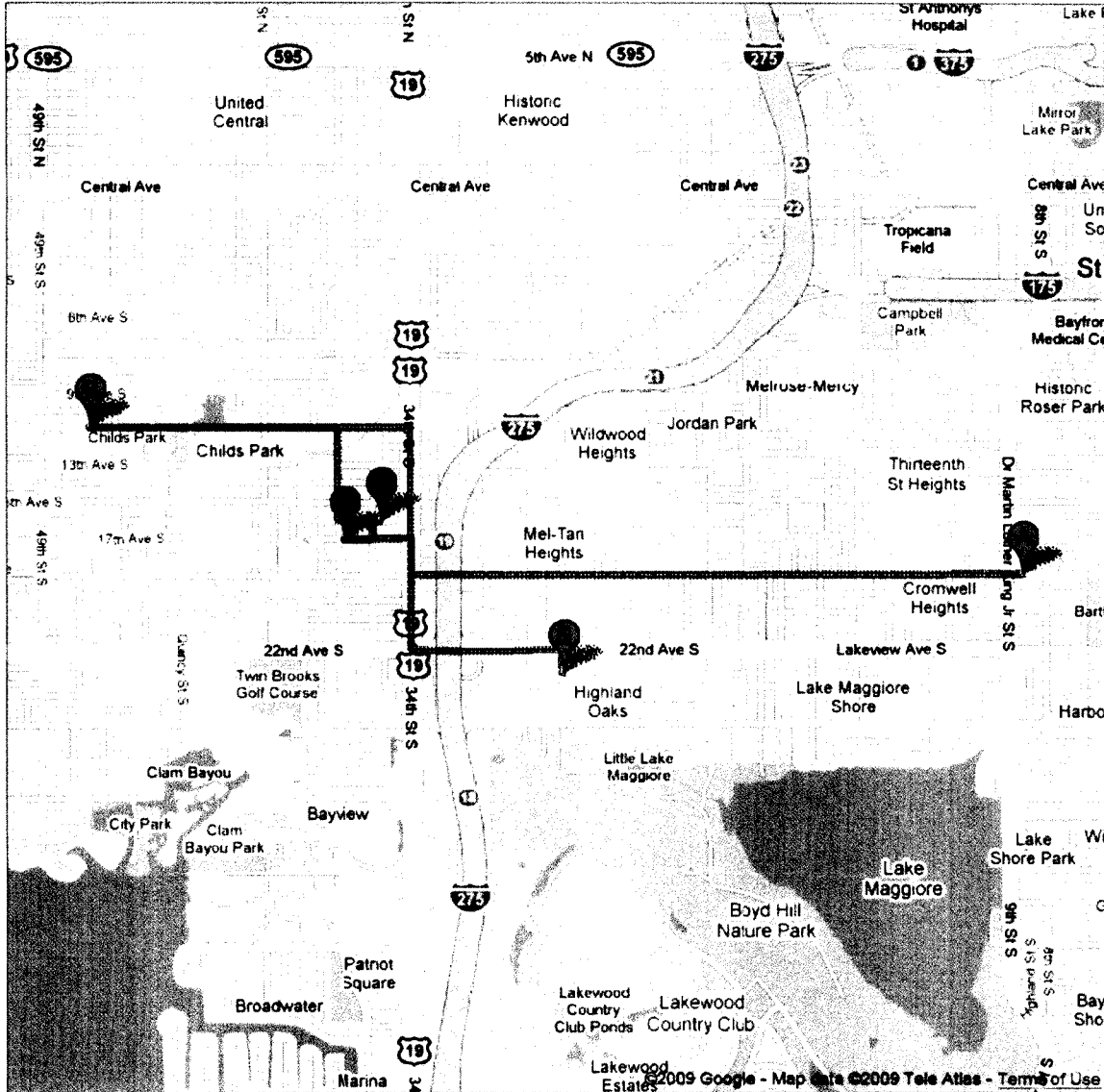
APPROVALS:

Administrative:		
Budget:		
Legal:		

(As to consistency w/attached legal documents)



- A= 861 18th Ave South
- B= 4676 11th Ave South
- C= 3482 16th Ave South
- D= 3645 17th Ave South
- E= 2312 28th Street South



NSP CM Sketch 090507

Parcel D - 3645 - 17th Avenue South, St. Petersburg

A RESOLUTION AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO PURCHASE UNDER THE NEIGHBORHOOD STABILIZATION PROGRAM, ONE (1) BANK-OWNED, FORECLOSED AND UNOCCUPIED PARCEL LOCATED AT 3645 - 17th AVENUE SOUTH, ST. PETERSBURG, FOR THE SUM OF \$34,000; TO PAY CLOSING RELATED COSTS NOT TO EXCEED \$7,500; TO REHABILITATE OR REDEVELOP THE PROPERTY FOR AN AMOUNT NOT TO EXCEED \$100,000; AND TO SELL THE PROPERTY IN ACCORDANCE WITH THE REQUIREMENTS OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND SECTION 2301(D)(2) OF HOUSING AND ECONOMIC RECOVERY ACT 2008; AND TO EXECUTE ALL DOCUMENTS NECESSARY TO EFFECTUATE SAME; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, City of St. Petersburg ("City") staff has identified the following property under the U.S. Department of Housing and Urban Development's ("HUD") Neighborhood Stabilization Program ("NSP") authorized under Title III of the Housing and Economic Recovery Act of 2008 ("HERA"); and

WHEREAS, the NSP provides grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes; and

WHEREAS, with the utilization of the NSP funds, the acquisition of the subject property will provide the City the opportunity to redevelop a bank-owned, foreclosed and unoccupied property that might otherwise be a source of abandonment and blight within our community; and

WHEREAS, the subject property's title to the fee simple estate or interest is vested in Wachovia Bank NA as trustee for the Registered Holders of Aegis Asset-Backed Securities Trust Mortgage pass through Certificates, Series 2004-2 ("Seller"); and

WHEREAS, the subject property has a Gross Living Area consisting of 1,143 sq. ft. with 2 Bedrooms/1 Bath; a Lot Size consisting of 6,060 sq. ft.; Actual Age being 51 years; and is legally described as follows:

The South 60 feet of Lots 93 and 94, RIDGEWOOD TERRACE, according to the map or plat thereof as recorded in Plat Book 5, Page 81, of the Public Records of Pinellas County, Florida.
Street Address: 3645 - 17th Avenue South, St. Petersburg
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WHEREAS, the subject property was appraised on March 26, 2009 by Paul Willies, State Certified General Appraiser, who indicated the value of the property to be \$40,000; and

WHEREAS, the Seller has agreed to accept \$34,000 in accordance with NSP requirements; and

WHEREAS, the City shall not pay more than \$7,500 in closing costs; and

WHEREAS, James E. Greenfield, Greenfield Environmental, Inc., conducted a Phase I environmental site assessment and in his professional opinion, contained in the report received by the City on April 28, 2009, the property had no evidence or indication of Recognized Environmental Conditions; and

WHEREAS, the City may allocate up to \$100,000 for the rehabilitation or the redevelopment of the subject property, which will become a part of the City's Affordable Housing Program in accordance with the requirements of HUD, HERA and the NSP; and

WHEREAS, the subject property will be sold in accordance with Section 2301(d)(2) of HERA; and

WHEREAS, the aforementioned Section 2301(d)(2) directs that if an abandoned or foreclosed-upon home or residential property is purchased, redeveloped, or otherwise sold to an individual as a primary residence, then such sale shall be in an amount equal to or less than the cost to acquire and redevelop or rehabilitate such home or property up to a decent, safe, and habitable condition.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida, that the Mayor, or his Designee, is authorized to purchase under the Neighborhood Stabilization Program, one (1) bank-owned, foreclosed and unoccupied parcel located at 3645 - 17th Avenue South, St. Petersburg, for the sum of \$34,000; to pay closing related costs not to exceed \$7,500; to rehabilitate or redevelop the property for an amount not to exceed \$100,000; and to sell the property in accordance with the requirements of the Department of Housing and Urban Development and Section 2301(d)(2) of Housing and Economic Recovery Act 2008; and to execute all documents necessary to effectuate same.

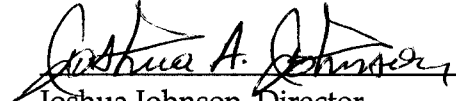
This Resolution shall become effective immediately upon its adoption.

LEGAL



City Attorney (Designee)

APPROVED BY:



Joshua Johnson, Director
Housing & Community Development

APPROVED BY:



Bruce E. Grimes, Director
Real Estate & Property Management