

**ST. PETERSBURG CITY COUNCIL**

**Meeting of June 4, 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 861 - 18<sup>th</sup> Avenue South, St. Petersburg, for the sum of \$19,550; to pay closing related costs not to exceed \$7,500; to rehabilitate or reconstruct 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 reconstruct 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 reconstruct 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 the JJJ Family LLP ("Seller"). The subject property is shown as Parcel "A" on the sketch. It has a Gross Living Area consisting of 710 sq. ft. with 2 Bedrooms/1 Bath; a Lot Size consisting of 6,750 sq. ft.; Actual Age being 86 years; and is legally described as follows:

A Parcel of land situated in the Northwest ¼ of the Southwest ¼ of Section 30, Township 31 South, Range 17 East, Pinellas County, Florida, being more particularly described as follows; COMMENCING at the Southwest corner of the Northwest ¼ of the Southwest ¼ of Section 30, Township 31 South, Range 17 East, Pinellas County, Florida, Run thence North 20 feet; Thence East 220 feet to the POINT OF BEGINNING; Run thence North 145 feet; Thence East 50 feet; Thence South 145 feet, Thence West 50 feet to the POINT OF BEGINNING; Less the South 10 feet for road right-of-way.

Street Address: 861 - 18<sup>th</sup> Avenue South, St. Petersburg  
Pinellas County Parcel I.D. No. 30/31/17/00000/320/0700

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 \$23,000. The Seller has agreed to accept \$19,550 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 29, 2009, the assessment revealed evidence of two (2) Recognized Environmental Conditions in connection with the Property that required further investigation. Accordingly, a Phase II environmental site assessment was conducted on May 22, 2009 and the lab results from the report indicated no elevated levels in soil or groundwater samples. In the professional opinion of Mr. Greenfield, no further sampling would be necessary.

After acquisition and rehabilitation or reconstruction, the subject property will become a part of the City's Affordable Housing Program in accordance with the requirements of HUD, HERA and the NSP, and it 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, reconstructed, 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 reconstruct 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 861 - 18<sup>th</sup> Avenue South, St. Petersburg, for the sum of \$19,550; to pay closing related costs not to exceed \$7,500; to rehabilitate or reconstruct 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.

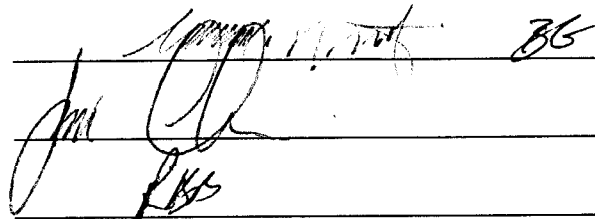
**ATTACHMENTS:** Sketch and Resolution

**APPROVALS:**

Administrative:

Budget:

Legal:

The image shows three horizontal lines representing approval signatures. The top line is for the Administrative approval, with a signature that appears to be 'James E. Greenfield' and the initials 'JEG' to the right. The middle line is for the Budget approval, with a signature that appears to be 'Jim' and the initials 'JMS' to the right. The bottom line is for the Legal approval, with a signature that appears to be 'LBS' and the initials 'LBS' to the right.

(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

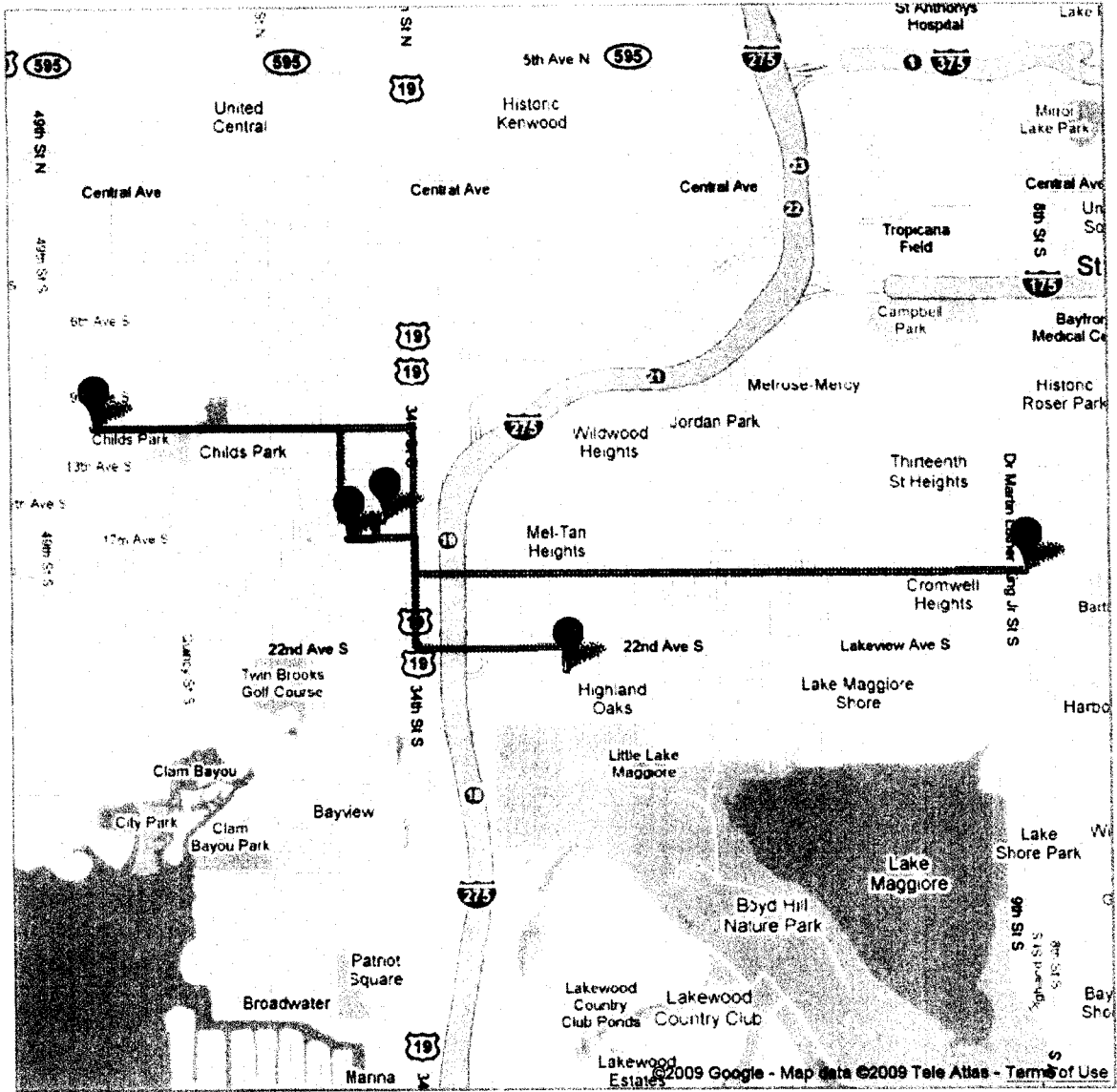


Figure 1 Parcel "A" 861 - 18th Avenue South, St. Petersburg

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 861 18TH AVENUE SOUTH, ST. PETERSBURG, FOR THE SUM OF \$19,550; TO PAY CLOSING RELATED COSTS NOT TO EXCEED \$7,500; TO REHABILITATE OR RECONSTRUCT THE PROPERTY FOR AN AMOUNT NOT TO EXCEED \$100,000; AND TO SELL THE PROPERTY IN ACCORDANCE 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 reconstruct 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 reconstruct 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 JJJ Family LLP ("Seller"); and

WHEREAS, the subject property has a Gross Living Area consisting of 710 sq. ft. with 2 Bedrooms/1 Bath; a Lot Size consisting of 6,750 sq. ft.; Actual Age being 86 years; and is legally described as follows:

A Parcel of land situated in the Northwest ¼ of the Southwest ¼ of Section 30, Township 31 South, Range 17 East, Pinellas County, Florida, being more particularly described as follows; COMMENCING at the Southwest corner of the Northwest ¼ of the Southwest ¼ of Section 30, Township 31 South, Range 17 East, Pinellas County, Florida, Run thence North 20 feet; Thence East 220 feet to the POINT OF BEGINNING; Run thence North 145 feet; Thence East 50 feet; Thence South 145 feet, Thence West 50 feet to the POINT OF BEGINNING; Less the South 10 feet for road right-of-way.  
Street Address: 861 - 18<sup>th</sup> Avenue South, St. Petersburg  
Pinellas County Parcel I.D. No.: 30/31/17/00000/320/0700; and

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 \$23,000; and

WHEREAS, the Seller has agreed to accept \$19,550 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 29, 2009, the assessment revealed evidence of two (2) Recognized Environmental Conditions in connection with the Property that required further investigation; and

WHEREAS, a Phase II environmental site assessment was conducted on May 22, 2009 and the lab results from the report indicated no elevated levels in soil or groundwater samples; and

WHEREAS, in the professional opinion of Mr. Greenfield, no further sampling would be necessary; and

WHEREAS, after acquisition and rehabilitation or reconstruction, the subject property will become a part of the City's Affordable Housing Program in accordance with the requirements of HUD, HERA and the NSP, and it 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, reconstructed, 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 reconstruct or rehabilitate such home or property up to a decent, safe, and habitable condition.

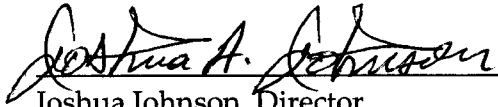
NOW, THEREFORE BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida, that the Mayor, or his Designee, is authorized to purchase under the Neighborhood Stabilization Program, one (1) bank-owned, foreclosed and unoccupied parcel located at 861 - 18<sup>th</sup> Avenue South, St. Petersburg, for the sum of \$19,550; to pay closing related costs not to exceed \$7,500; to rehabilitate or reconstruct 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

APPROVED BY:

  
\_\_\_\_\_  
City Attorney (Designee)

  
\_\_\_\_\_  
Joshua Johnson, Director  
Housing & Community Development

APPROVED BY:

  
\_\_\_\_\_  
Bruce E. Grimes, Director  
Real Estate & Property Management