

ST. PETERSBURG CITY COUNCIL

Meeting of September 3, 2009

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

SUBJECT: Acquisition of two (2) bank-owned, foreclosed and unoccupied parcels under the Neighborhood Stabilization Program.

EXPLANATION: City of St. Petersburg ("City") staff has identified the following properties 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, reconstruct and resell 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 properties will provide the City the opportunity to reconstruct a bank-owned, foreclosed and unoccupied properties that might otherwise be a source of abandonment and blight within our community.

The subject properties (collectively "Properties") are shown in the attached sketch and are identified as follows:

<u>ADDRESS</u>	<u>PIN</u>	<u>LEGAL</u>	<u>FINAL PRICE</u>
A 2310 2nd Avenue South	23/31/16/78390/029/0020	Lot 2, Block 29, ST. PETERSBURG INVESTMENT CO., Plat Book 1, Page 16	\$19,800
B 2909 Freemont Terrace South	23/31/16/24138/008/0170	Lot 17, Block 8, EAST ROSELAWN, Plat Book 3, Page 32	\$64,350

The Properties were appraised by independent state certified appraisers and the final prices were determined by calculating ninety-nine percent (99%) of the appraised value in accordance with the June 2009 revised NSP regulations. All the sellers have agreed to accept the final price.

The required Environmental Review Record ("ERR") reports are being prepared by the City's Housing and Community Development Department, and the acquisition of each property is conditioned upon the ERR result being a Finding of No Significant Impact.

After acquisition and rehabilitation or reconstruction of the Properties, each property will become a part of the City's Affordable Housing Program in accordance with the requirements of HUD, HERA and the NSP, and 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 approve the attached resolutions for acquisition of two (2) bank-owned, foreclosed and unoccupied parcels under the Neighborhood Stabilization Program.

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

ATTACHMENTS: Sketch and Resolutions

APPROVALS:

Administrative:

R. Newport 8-26-09 BG

Budget:

[Signature]

Legal:

[Signature]

(As to consistency w/attached legal documents)

Google maps Address

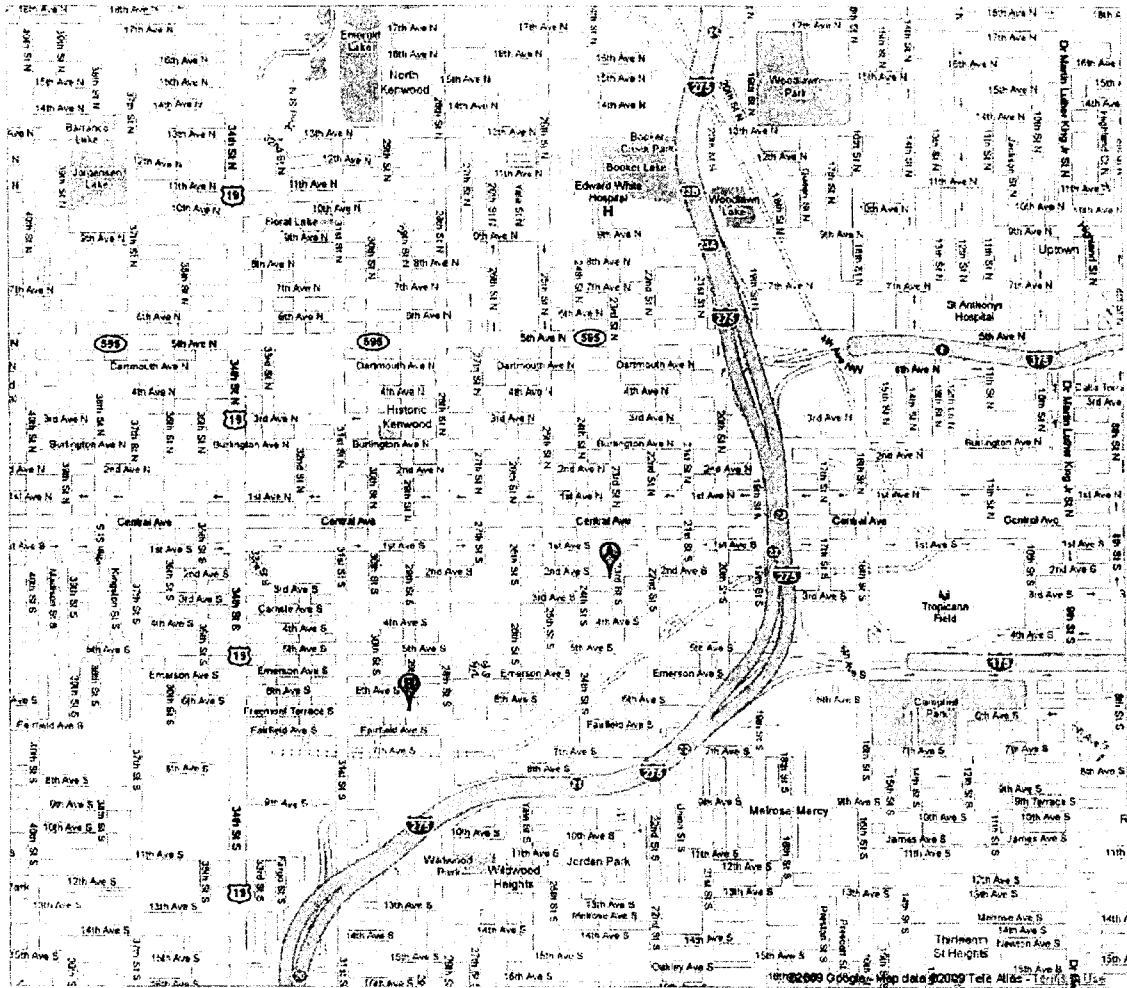


Figure 1 (A) 2310 2nd Avenue South; (B) 2909 Fremont Terrace South

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 2310 2ND AVENUE SOUTH, ST. PETERSBURG, FOR THE SUM OF \$19,800; 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.

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, reconstruct and resell 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 is legally described as Lot 2, Block 29, ST. PETERSBURG INVESTMENT CO., Plat Book 1, Page 16, of the Public Records of Pinellas County, Florida, Street Address: 2310 2nd Avenue South, St. Petersburg; Pinellas County Parcel I.D. No.: 23/31/16/78390/029/0020; and

WHEREAS, the seller of the subject property is Tiger Investment Group, Inc. ("Seller"); and

WHEREAS, the subject property was appraised on July 31, 2009 by Lin Gilbert, State Certified Appraiser, who indicated the value of the property to be \$20,000; and

WHEREAS, the Seller has agreed to accept \$19,800 in accordance with NSP requirements; and

WHEREAS, the required Environmental Review Record ("ERR") report is being prepared by the City's Housing and Community Development Department, and the acquisition of each property is conditioned upon the ERR result being a Finding of No Significant Impact; and

WHEREAS, the City shall not pay more than \$7,500 in closing costs; 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 2310 2nd Avenue South, St. Petersburg, for the sum of \$19,800; 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.

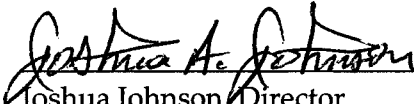
This Resolution shall become effective immediately upon its adoption.

LEGAL




City Attorney (Designee)

APPROVED BY:



Joshua Johnson, Director
Housing & Community Development

APPROVED BY:



Bruce E. Grimes, Director
Real Estate & Property Management

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 2909 FREEMONT TERRACE SOUTH, ST. PETERSBURG, FOR THE SUM OF \$64,350; 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.

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, reconstruct and resell 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 is legally described as Lot 17, Block 8, EAST ROSELAWN, Plat Book 3, Page 32, of the Public Records of Pinellas County, Florida, Street Address: 2909 Freemont Terrace South, St. Petersburg; Pinellas County Parcel I.D. No.: 23/31/16/24138/008/0170; and

WHEREAS, the seller of the subject property is John Mcneill & Alan Vance ("Seller"); and

WHEREAS, the subject property was appraised on July 30, 2009 by Scott Seaman, State Certified Appraiser, who indicated the value of the property to be \$65,000; and

WHEREAS, the Seller has agreed to accept \$64,350 in accordance with NSP requirements; and

WHEREAS, the required Environmental Review Record ("ERR") report is being prepared by the City's Housing and Community Development Department, and the acquisition of each property is conditioned upon the ERR result being a Finding of No Significant Impact; and

WHEREAS, the City shall not pay more than \$7,500 in closing costs; 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 2909 Freemont Terrace South, St. Petersburg, for the sum of \$64,350; 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



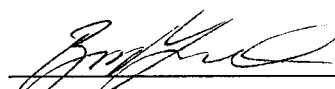
City Attorney (Designee)

APPROVED BY:



Joshua Johnson, Director
Housing & Community Development

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Bruce E. Grimes, Director
Real Estate & Property Management