

ST. PETERSBURG CITY COUNCIL

Meeting of November 5, 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 1305 - 43rd Street South, St. Petersburg, for the sum of \$35,640; 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, 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 property will provide the City the opportunity to reconstruct bank-owned, foreclosed and unoccupied property that might otherwise be a source of abandonment and blight within our community.

The subject property ("Property") is shown in the attached sketch and is identified as follows:

Address	Tax ID	Legal	Final Price
1305 - 43rd Street South, St. Petersburg, Florida 33711	27/31/16/72594/000/0010	E.L. Poore's Sub., Lot 1 & N 8.50 ft of Lot 2, Plat Book 19, Page 33	\$35,640

The Property was appraised by an independent state certified appraiser and the final price was determined by calculating ninety-nine percent (99%) of the appraised value in accordance with the June 2009 revised NSP regulations. The seller has agreed to accept the final price.

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

After acquisition and rehabilitation or reconstruction, the 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 resolution for the purchase of one (1) bank-owned, foreclosed and unoccupied parcel located at 1305 - 43rd Street South, St. Petersburg, for the sum of \$35,640 under the Neighborhood Stabilization Program; 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 (082-1089).

ATTACHMENTS: Sketch and Resolution

APPROVALS: Administrative: R. Mussett FLG
Budget: Elahofshe
Legal: PLS
(As to consistency w/attached legal documents)

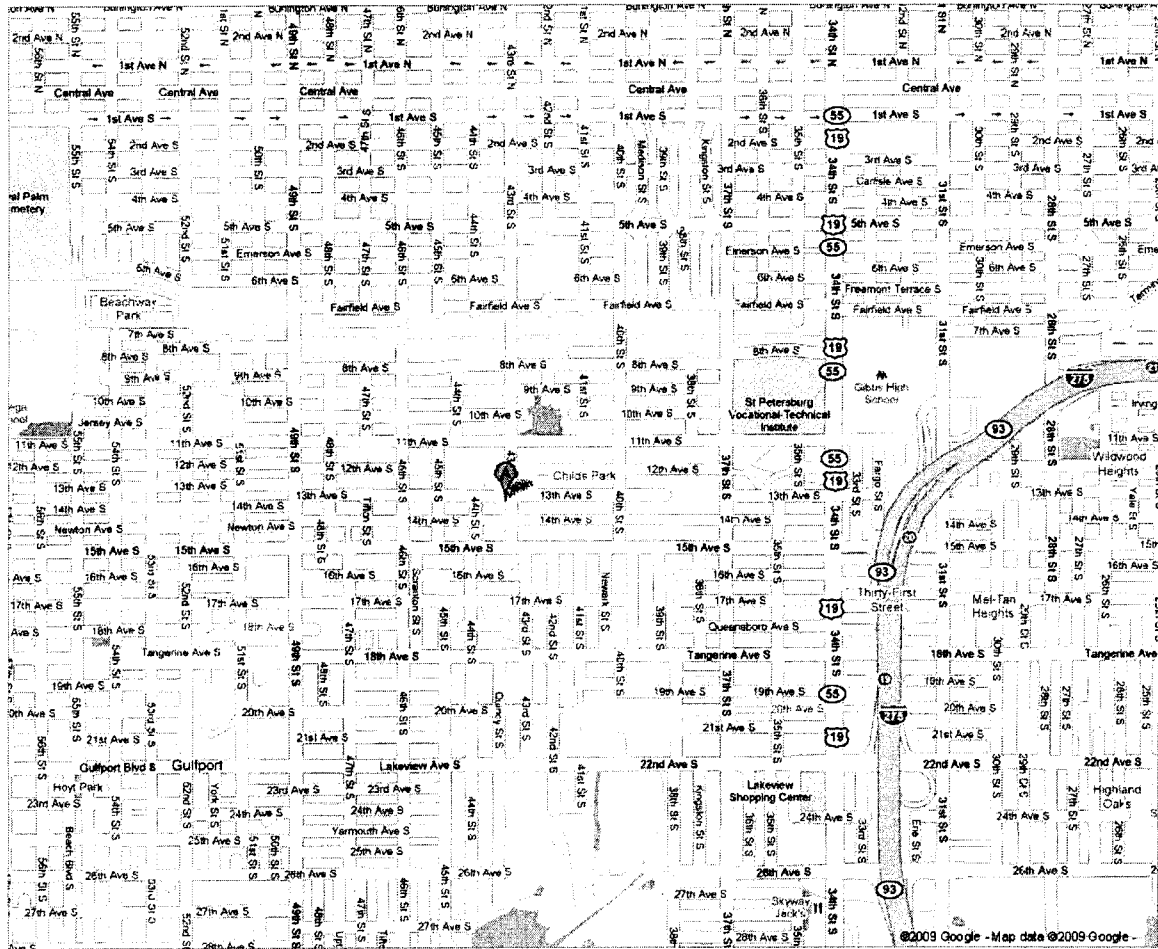


Figure 1 1305 43rd Street South, St. Petersburg

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 1305 - 43RD STREET SOUTH, ST. PETERSBURG, FOR THE SUM OF \$35,640; 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 E.L. Poore's Subdivision, Lot 1 & N 8.50 ft. of Lot 2, Plat Book 19, Page 33, of the Public Records of Pinellas County, Florida; Street Address: 1305 - 43rd Street South, St. Petersburg, Florida 33711; Pinellas County Parcel I.D. No.: 27/31/16/72594/000/0010; and

WHEREAS, the seller of the subject property is JJJ Family LLLP ("Seller"); and

WHEREAS, the subject property, received on July 6, 2009, was appraised by Thomas Crockett, State Certified Appraiser, who indicated the value of the property to be \$36,000; and

WHEREAS, the Seller has agreed to accept \$35,640 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 the subject 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 1305 - 43rd Street South, St. Petersburg, Florida, for the sum of \$35,640; 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.

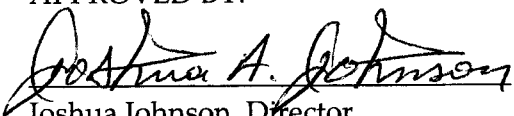
This Resolution shall become effective immediately upon its adoption.

LEGAL




City Attorney (Designee)

APPROVED BY:



Joshua Johnson, Director
Housing & Community Development

APPROVED BY:



Bruce E. Grimes, Director
Real Estate & Property Management