



## Legislation Text

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**File #: 020097, Version: 0**

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### Acquisition and Sale of 1135 Northeast 23rd Street - Cedar Grove II Lot 4 (B)

This residence was constructed and sold by the City as a part of its Cedar Grove II development. Because of a pending divorce, the existing homeowners have gotten behind on their mortgage payments and the first mortgage holder, SunTrust, has filed a foreclosure action in the Circuit Court of Alachua County. A Summary Final Judgment of Foreclosure has been issued and the property sale is scheduled for 11:00 a.m. on June 26, 2002. To protect the market value of Cedar Grove II homes, the City's approximately \$43,000 in subordinate mortgages, and the residence from any potential investors who might purchase it as a rental property, staff is recommending that the City attend the property sale and be authorized to bid on the property. After Purchase, staff would undertake any necessary repairs to the property and resell it to an eligible homebuyer.

CDBG and HOME funds are budgeted in the Housing Division's FY 2001-2002 budget to cover the cost of acquiring and rehabilitating the property.

The City Commission: 1) authorize the City Manager or his designee to bid up to \$70,000 to acquire the property located at 1135 N.E. 23rd Street; 2) declare the property located at 1135 N.E. 23rd Street as surplus property; 3) authorize the Housing Division to rehabilitate the property for resale to a low-income family; 4) authorize the sale of the rehabilitated property at market value to a low-income family or household that will be identified at a future date; 5) authorize the Housing Division to provide the grant and /or subsidy required to make the purchase of the property affordable for a low-income family; 6) authorize the City Manager or designee to execute the required construction contract, purchase and sale agreement, grant or subsidy agreements and any other certifications or assurances required to rehabilitate the property and transfer ownership to a homebuyer that will be identified at a later date; 7) authorize the Mayor and Clerk of the Commission to execute the warranty deed required to transfer title to a low-income homebuyer that will be identified at a later date; 8) authorize the Housing Division to use the standard Cedar Grove II and Rehabilitation Program subsidy, purchase and sale, and construction documents to consummate the transaction; 9) authorize the issuance of a manual check in an amount not to exceed \$70,000, payable to the Alachua County Clerk of the Court; and 10) authorize the issuance of a purchase order to a contractor to cover any required repairs to the property that will be determined at a later date.