



Legislation Text

File #: 130834., **Version:** 1

Request to Release Reverter Rights (B)

This item is a request to release the Reverter Right provisions contained in a Special Warranty Deed to Pleasant Place, Inc.

Pleasant Place, Inc., is a not-for-profit organization that is dedicated to providing a healthy and safe home for teenage girls who are pregnant and parenting while they finish school. On August 4, 1997, the City of Gainesville conveyed Tax Parcel 14402-000-000 to Pleasant Place, Inc., by Special Warranty Deed recorded in Official Records Book 2131, Page 182 in the Public Records of Alachua County, Florida. This parcel (originally known as the Dunbar Hotel) is located at 732 Northwest 4th Street in the Pleasant Street Historic Neighborhood. Pleasant Place, Inc., was to utilize the property for a transitional residence serving homeless, pregnant teens and teenage mothers and their babies.

The Special Warranty Deed contained the following reverter clauses if the properties failed to be used for a transitional residence serving homeless, pregnant teens and teenage mothers and their babies: 1) Pleasant Place, Inc., was to commence and complete the rehabilitation of the residential building contained in the property within two years; and 2) Pleasant Place, Inc., was to use the facility within ninety days after issuance of the Certificate of Occupancy for the prescribed housing of homeless, pregnant teens and teenage mothers and their babies in compliance with the requirement of the U.S. Department of Housing and Urban Development Supportive Housing Program and the U.S. Department of Housing and Urban Development Home Investment Partnership Program.

Since that time, Pleasant Place, Inc., has met the requirements of the reverter clauses contained in the Special Warranty Deed. In 2012, the Pleasant Place, Inc., experienced financial difficulties; and the property subsequently went into foreclosure. Mr. Andrew Coffey, Eastwood LLC, recently submitted a letter to the City advising of his company's interest in acquiring the property from out of foreclosure from Pleasant Place, Inc.; however, reverter clause #2 contained in the Special Warranty Deed as stated above, created a cloud on the title. As a result, Mr. Coffey is requesting for the City to release the right of reversion contained in the Special Warranty Deed from the City to Pleasant Place, Inc., to complete the acquisition of the property. Since the City has no financial interest in the property, staff recommends issuance of a Quit-Claim Deed, removing the stipulations and clearing the title of the property.

None.

The City Commission: 1) approve the release of the reverter on Tax Parcel 14402-000-000; and 2) authorize the Mayor to execute and Clerk of the Commission attest a Quit-Claim Deed to Pleasant Place, Inc., removing any interest the City may have in Tax Parcel 14402-000-000, subject to approval from the City Attorney as to form and legality.