



City of Grand Island

Tuesday, April 22, 2008

Council Session

Item F2

**#9165 - Consideration of Conveyance of Property Located at 415
East 9th Street**

Staff Contact: Joni Kuzma

Council Agenda Memo

From: Joni Kuzma, Community Development Administrator

Meeting: April 22, 2008

Subject: Consideration of Conveyance of Property Located at 415 East 9th Street

Item #'s: F-2

Presenter(s): Joni Kuzma, Community Development Administrator

Background

The City purchased the building and property at 415 East 9th Street in March 1992 for \$14,750 as a part of a Homestead Program using Community Development Block Grant funds. In August 1992, the home was sold to a Homestead participant for \$1.00. As a part of this program, the City loaned \$12,500 to the homeowner to make improvements to the home and there was another warranty deed for \$14,500 with the homeowner. Both were released and the City resumed ownership of the property in 1995 when the homeowner defaulted on their mortgage.

The property was rented between 1995 and 2007, but has been vacant since February 2007. The Council declared the property as surplus at the February 26, 2008 Council meeting. A Request for Proposals was published in the Grand Island Independent on Sunday, March 9th and sealed bids were accepted until March 25, 2008 at 4:00 p.m.

Discussion

Two sealed bids were received and recorded by the City Clerk's office. Habitat for Humanity submitted the highest bid to purchase the property for \$5,000, provided a timeline, and clearly outlined a plan to sell the property to a low-income home buyer, as originally outlined in the Homestead Program.

The next step is for the Council to accept the bid and conditions for sale and approve a corresponding ordinance. Once the ordinance passes, the conditions of sale will be published for three consecutive weeks (April 29, May 6, and May 13, 2008). If no public remonstrance is filed within 30 days after final publication of the ordinance, the property can be conveyed.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to accept the bid, approve the ordinance, and direct the City Clerk to publish the ordinance for three consecutive weeks following approval
2. Reject the bid
3. Take no action on the issue and retain the property.

Recommendation

City Administration recommends that the Council accept the bid, approve the ordinance, and direct the City Clerk to publish the ordinance for three consecutive weeks following approval.

Sample Motion

Move to accept the bid, approve the ordinance, and direct the City Clerk to publish the ordinance for three consecutive weeks following approval.

ORDINANCE NO. 9165

An ordinance directing and authorizing the sale of real estate to Grand Island Area Habitat for Humanity, Inc.; providing for the giving of notice of such conveyance and the terms thereof; providing for the right to file a remonstrance against such conveyance; providing for publication and the effective date of this ordinance.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA:

SECTION 1. The City of Grand Island, Nebraska, will convey to Grand Island Area Habitat for Humanity, Inc. a tract of land legally described as:

Lot Two (2), Block One Hundred Thirty Three (133), Union Pacific Railway Co's
Second Addition to the City of Grand Island, Hall County, Nebraska

SECTION 2. In consideration for such conveyance the purchaser shall pay the City the sum of Five Thousand and No/100 Dollars (\$5,000.00). The buyer will be responsible for the costs of recording the deed and one half the cost of a title insurance owner's policy and all the cost of any lender's policy. Conveyance of the real estate above described shall be by warranty deed, upon payment of the consideration pursuant to the terms and conditions of an Agreement for Warranty Deed between the parties.

SECTION 3. As provided by law, notice of such conveyance and the terms thereof shall be published for three consecutive weeks in the *Grand Island Independent*, a newspaper published for general circulation in the City of Grand Island. Immediately after the passage and publication of this ordinance, the City Clerk is hereby directed and instructed to prepare and publish said notice.

ORDINANCE NO. 9165 (Cont.)

SECTION 4. Authority is hereby granted to the electors of the City of Grand Island to file a remonstrance against the conveyance of such within described real estate; and if a remonstrance against such conveyance signed by registered voters of the City of Grand Island equal in number to thirty percent of the registered voters of the City of Grand Island voting at the last regular municipal election held in such City be filed with the City Council within thirty days of passage and publication of such ordinance, said property shall not then, nor within one year thereafter, be conveyed.

SECTION 5. The conveyance of said real estate is hereby authorized, directed and confirmed; and if no remonstrance be filed against such conveyance, the Mayor shall make, execute and deliver to Grand Island Area Habitat for Humanity, Inc. a warranty deed for said real estate, and the execution of such deed is hereby authorized without further action on behalf of the City Council.

SECTION 6. This ordinance shall be in force and take effect from and after its passage and publication, within fifteen days in one issue of the Grand Island Independent as provided by law.

Enacted: April 22, 2008.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk