

FACTSHEET

Instructions: If a question does not apply, **DO NOT DELETE IT**, just put "NA". Please try to keep it to **ONE** page only. Submit **one original**, with your Request Form, to City Clerk.

TITLE: Sale of City-owned property located at 1739 N. 28th Street

BOARD/COMMITTEE: None

APPLICANT: Urban Development Department

RECOMMENDATION: For

STAFF RECOMMENDATION: For

OTHER DEPARTMENTS AFFECTED: None aware of

SPONSOR: Urban Development

OPPONENTS: None known

REASON FOR LEGISLATION:

Article II, Section 2 of the City Charter provides that the sale of any real estate having a value in excess of \$10,000 must be authorized by City Council ordinance. The proceeds from the sale of the property will be deposited into the Urban Development Advanced Land Acquisition fund.

DISCUSSION / FINDINGS OF FACT:

The City of Lincoln is in the process of selling a newly constructed residence at 1739 N. 28th Street to a buyer who qualifies to purchase the property under the City's First Time Home Buyer's Program. The City acquired the property at a partition of premises auction conducted by a court appointed referee. The City's lien on the property was in an amount of \$13,243 of which was CDBG funds, and the property was purchased to protect the City's interest in that loan. The City was able to purchase the property for \$21,000 which went towards recouping the loan proceeds.

Rehabilitation of the property was not a viable option, and the property was demolished. Since the N. 27th Street TIF project has expired and there were funds available to use in this area, the City used those funds for the acquisition, demolition and construction of the residence. The City entered into a contract with Prairie Gold Homes to build a three bedroom, two bathroom Energy Star home with a two stall garage. This property is a great improvement to the neighborhood.

This buyer met the income guidelines of the First Time Home Buyer's program and was able to purchase the property at the City's asking price of \$140,000. It is in the best interest of the City to get the property sold and back on the tax rolls. Since the N. 27th Street TIF project has expired, the \$140,000 purchase price will go into the Urban Development Advanced Land Acquisition fund.

The sale of the property allows the City to deposit the proceeds into the Advanced Land Acquisition fund for future use, put the property back on the tax rolls, revitalize the neighborhood and relieve the City of maintenance issues related to the property. For these reasons, we recommend approval of the sale.

POLICY OR PROGRAM CHANGE: ___ Yes X No

OPERATIONAL IMPACT ASSESSMENT: N/A

COST OF TOTAL PROJECT: Acquisition - \$21,000; Demolition - \$9,000; New Construction - \$151,000

RELATED ANNUAL OPERATING COSTS: N/A

SOURCE OF FUNDS: N. 27th Street TIF

CITY: \$181,000 TIF funds;

NON-CITY: \$13,243 - CDBG Fund;

FACTSHEET PREPARED BY: Michelle Backemeyer

DATE: December 19, 2014

REVIEWED BY: David Landis, Steve Werthmann

DATE: December 30, 2014