

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 1515 & 1525 N. 15th Street

BOARD/COMMITTEE: None

APPLICANT: Urban Development Department

RECOMMENDATION: For

STAFF RECOMMENDATION: For

OTHER DEPARTMENTS AFFECTED: Public Works

SPONSOR: Urban Development

OPPONENTS:

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.

DISCUSSION / FINDINGS OF FACT:

The City of Lincoln owns four lots legally described as Lots 5-8, Block 1, Thomas Ryan's Subdivision more commonly known as 1515 and 1525 N. 15th Street. The lots were acquired for the Northeast Radial Project in 1969. When the project failed, the City continued to rent the properties until rehabilitation was no longer cost effective and both structures were demolished in 2009. The properties were declared surplus in August of 2015 under Ordinance No. 20235. The lots have been advertised for sale on the City's surplus property website and "for sale" signs were posted on the property. A conservation easement will be required in order to retain flood storage capacity because the properties lie in the Salt Creek floodplain. The parcels will be subject to construction and floodplain standards such as elevating the floor of the structure one foot above flood elevation and constructing a flow-thru crawl space. Since the lots are 30 x 100 feet in size, two are needed to create a buildable area. These limitations have some effect on the value of the lots.

Timothy Otto, Manager of Otto T Rentals, LLC, has presented the City with an offer of \$15,000 for each buildable area for a total of \$30,000 to purchase all four lots. Because of the challenges of redeveloping the properties, we feel that his offer is fair and equitable and we support his plan for redevelopment of the lots.

The sale of the property will put money into the City's Advanced Land Acquisition fund, put the property back on the tax rolls, and relieve the City of mowing and 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: N/A

RELATED ANNUAL OPERATING COSTS: \$400 for mowing

SOURCE OF FUNDS: Advanced Land Acquisition

CITY: N/A

NON-CITY: N/A

FACTSHEET PREPARED BY: Michelle Backemeyer

DATE: June 6, 2016

REVIEWED BY: Dave Landis, Steve Werthmann

DATE: June 7, 2016