	Council Bill:	R 208-13			
MOTION TO AMEND:					
MADE BY:					
SECONDED BY:					
MOTION: I move tha amendment sheet.	t Council Bill	R 208-13	be amende	ed as set forth	on this
====				====	

Material deleted from the original agreement is shown in strikeout; material added to original agreement shown underlined.

The title is amended as follows:

forgiving a Community Development Block Grant (CDBG) rehabilitation loan on property located at 208 Ridgeway Avenue; authorizing a full deed of release; directing the City Clerk to have the deed recorded; authorizing a eContract for sSale of rReal eEstate and Amendment Number One to Contract for Sale of Real Estate with Evelyn Lee.

Section 4 is amended as follows:

SECTION 4. The City Manager is hereby authorized to execute a e<u>C</u>ontract for s<u>S</u>ale of <u>FR</u>eal <u>eE</u>state <u>and Amendment Number One to Contract for Sale of Real Estate</u> with Evelyn Lee for property located at 208 Ridgeway Avenue. The form and content of <u>the such contracts</u> shall be substantially as set forth in "Exhibit B" <u>and "Exhibit C," respectively, attached hereto and made a part hereof <u>as fully as if set forth herein verbatim</u>.</u>

# AMENDMENT NUMBER ONE TO CONTRACT FOR SALE OF REAL ESTATE

This amendment (the "Amendment") is made by Evelyn Lee, a single person (hereinafter referred to as "Seller") and, the City of Columbia, Missouri, a municipal corporation (hereinafter referred to as "Buyer"), parties to the agreement dated September, 23, 2013, (the "Agreement").

1. The Agreement is amended as follows:

The Seller shall pay and satisfy special assessment tax bill #17,169 in the amount of \$242.52, due to the City of Columbia.

2. Except as set forth in this Amendment, the Agreement is unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict between this amendment and the Agreement or any earlier amendment, the terms of this amendment will prevail.

IN WITNESS WHEREOF, the parties hereto have been duly authorized to execute this contract as of the day and year first above written.

SELLER:

Evelyn Lee

sy: Evelyn Lee

STATE OF MISSOURY ) ss COUNTY OF BOONE )	
_	ent to Contract for Sale of Real Estate and
IN TESTIMONY WHEREOF, I have he seal the day and year first above written.	reunto set by hand and affixed my official
My commission expires: HJUNE 2016.	Notary Public  ERIC HEMPEL My Commission Expires June 14, 2016 Boone County Commission #12355378

STATE OF MISSOURI )	
) ss COUNTY OF BOONE )	
City Manager of the City of Colu foregoing instrument is the corpora signed and sealed on behalf of the	, 2013, before me appeared Mike tho, being by me duly sworn, did say that he is the mbia, Missouri, and that the seal affixed to the ate seal of the City and that this instrument was a City by authority of its City Council and the City ent to be the free act and deed of the City.
IN TESTIMONY WHEREOF, seal, at my office in Columbia, Boo written.	I have hereunto set by hand and affixed my official one County, Missouri, the day and year first above
	Notary Public
My commission expires:	·
	BUYER: City of Columbia, Missouri
	By:  Mike Matthes, City Manager
ATTEST:	
Sheela Amin, City Clerk	
•	
APPROVED AS TO FORM:	
Nancy Thompson, City Counselor	
to which it is to be c	is contract is within the purpose of the appropriation harged, Account No and that bered balance to the credit of such appropriation or.
	By:



Source: Community Development - CDBG/Home $^{\c N}$  Agenda Item No: Supplemental

Information

To: City Council
From: City Manager and St

From: City Manager and Staff

Council Meeting Date: Oct 21, 2013

R208-13

Re:

Approving a Resolution to Forgive CDBG Owner Occupied Rehabilitation Lien and Execution of Contract for Purchase of property located at 208 Ridgeway Avenue. - Additional information

#### **EXECUTIVE SUMMARY:**

The property at 208 Ridgeway Avenue was assessed a special tax bill for mowing totalling \$242.52. This lien was not discovered with the initial title work. An amendment to the original contract has been executed by the owner to account for this change. Additionally, staff has received closing costs from the title company which update the settlement amounts.

## **DISCUSSION:**

One of the several liens against the property at 208 Ridgeway Avenue is a judgement lien in the original amount of 5,359.07. Payoff of this judgement was negotiated on September 17, 2013 by City staff to \$3,000.00, good for 60 days. In an effort to meet this deadline and comply with all State and Federal requirements associated with use of funds for demolition and redevelopment, staff moved forward with the attached contract using estimates. Staff has now received more accurate numbers for the settlement and has included an amendment for a special tax assessment recorded after the original title search. The new schedule for use of funds is below:

NSP funds from the City of Columbia:	\$	5,340.80
2012 property taxes, fees, penalty, from SELLER 2013 property taxes to 11/17/2013, from SELLER Closing costs, title insurance commitment, from SELLER Judgement lien settlement, from SELLER Special assessment tax bill	\$ \$ \$ \$ \$	(467.95) (324.73) (475.00) (3,000.00) (242.52)
BALANCE to SELLER	\$	830.60

After purchase of the property is complete, Community Development will proceed with demolition and evaluate options for redevelopment. Redevelopment options will likely include construction of single-family affordable house in partnership with a local Community Housing Development Organization.

# FISCAL IMPACT:

Approval of this resolution will forgive the existing rehabilitation loan in the amount of \$13,500.00 and authorizes expenditure of \$5,340.80 in NSP land bank acquisition funds.

#### **VISION IMPACT:**

## http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php

The proposed reuse furthers Goals 2.3 and 11.2 through providing additional housing choices for low and very low income owner occupants. Implementation Task 18 will be addressed through the provision of additional affordable housing units.

# **SUGGESTED COUNCIL ACTIONS:**

Approve the attached resolution to authorize the release of lien and purchase of property.

FISCAL and VISION NOTES:					
<b>City Fiscal Impact</b> Enter all that apply		Program Impact		Mandates	
City's current net FY cost	\$0.00	New Program/ Agency?	No	Federal or State Yes	
Amount of funds already appropriated	\$0.00	Duplicates/Epands an existing program?	No	Vision Implementation impact	
Amount of budget amendment needed	\$0.00	Fiscal Impact on any local political subdivision?	No	Enter all that apply: Refer to Web site	
Estimated 2 year	ar net costs:	Resources Rec	uired	Vision Impact?	Yes
One Time	\$0.00	Requires add'I FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	2 and 11
Operating/ Ongoing	\$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	2.3 and 11.2
		Requires add'l capital equipment?	No	Fiscal year implementation Task #	fy12task18

Introduced by	Council Bill No	<u>R 208-13</u>
A RES	SOLUTION	
forgiving a Community Develocity rehabilitation loan on proper Avenue; authorizing a full described to have the deed record of real estate with Evelyn Le	erty located at 208 R eed of release; directing ded; authorizing a contrac	dgeway the City
BE IT RESOLVED BY THE CITY COUNCIL FOLLOWS:	OF THE CITY OF COLU	MBIA, MISSOURI, AS
SECTION 1. The City of Columbia Development Block Grant (CDBG) rehabiling property located at 208 Ridgeway Avenue	itation loan in the amount	
SECTION 2. The City Manager is release for the deed of trust securing the loof the full deed of release shall be substant and made a part hereof as fully as if set for	oan forgiven in Section 1. Itially as set forth in "Exhi	The form and content
SECTION 3. The City Clerk is aut release recorded in the office of the Boone		
SECTION 4. The City Manager is he real estate with Evelyn Lee for property locontent of the contract shall be substantiall made a part hereof as fully as if set forth h	cated at 208 Ridgeway A ly as set forth in "Exhibit E	venue. The form and
ADOPTED this day of		, 2013.
ATTEST:		
City Clerk	Mayor and Presidir	g Officer

APPROVED AS TO FORM:

City Counselor

### **FULL DEED OF RELEASE**

WHEREAS, EVELYN LEE, A SINGLE PERSON AND WIDOW OF WOODROW LEE, (Grantee), by deed of trust dated the 7th day of December, 1998, and recorded in the Recorder of Deeds office, County of Boone, State of Missouri, in Book 1486, Page 385, conveyed the property in said deed described in Trust, to secure the payment of a certain note described in said deed of trust; and

WHEREAS, the present owner(s) of said property has FULLY SATISFIED said deed of trust and note and is/are justly and legally entitled to a FULL RELEASE of said deed of trust.

NOW THEREFORE, the City of Columbia, State of Missouri, a municipal corporation, the undersigned party of the first part (Grantor), whose address is P.O. Box 6015, Columbia, MO, 65205-6015, present holder and legal owner of said deed of trust and note, does hereby Remise, Release and Quit Claim unto the said present owner or successor in interest of the owner(s) of said property, being the party of the second part, the interest conveyed by the above-referenced deed of trust in the following described real property to wit:

Lot #72 of SMITHTON according to the plat thereof recorded in Plat book 1, Page 45 of the Boone County records.

TO HAVE AND TO HOLD the same, with all the appurtenances thereto belonging unto the said party of the second part, free, clear and discharged from the encumbrances of said deed of trust.

Manager, attested to by its City Clerk, and	aid party of the first part has caused these present the seal of the City of Columbia, P.O. Box 6 affixed, this day of	015, County of Boone, Cit
APPROVED AS TO FORM:	CITY OF COLUMBIA:	
Nancy Thompson	Mike Matthes	
City Counselor	City Manager	

Sheela Amin, City Clerk

013, before me appeared Mike Matthes, to me the City Manager of the City of Columbia, State s the corporate seal of said Corporation and that on by authority of its City Council and the same et and deed of said Corporation.  and and affixed my official seal at my office in
ıblic
1

# CONTRACT FOR SALE OF REAL ESTATE

This agreement is dated this 25th day of 5 prember 2013, by and between Evelyn Lee, a single person (hereinafter referred to as "Seller") and, the City of Columbia, Missouri, a municipal corporation (hereinafter referred to as "Buyer"). Buyer's current address is 701 E. Broadway, Columbia, Missouri 65201.

# WITNESSETH:

Subject to the terms and conditions set forth herein, the Buyer agrees to purchase and the Seller agrees to sell certain real property and all improvements thereon commonly known as 208 Ridgeway Avenue in Columbia, Boone County, Missouri more particularly described as follows:

Lot Seventy-two (72) in Smithton Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 45, Records of Boone County, Missouri.

- 2. The real estate offered by Seller and being purchased by Buyer is sold pursuant to all rules and regulations of the City of Columbia Neighborhood Stabilization Program (NSP) and the Department of Housing and Urban Development and certain regulations of 24 CFR 92.252 (a), (c), (e) and (f) and 24 CFR 92.254.
- 3. The purchase price for the property shall be FIVE THOUSAND THREE HUNDRED FORTY DOLLARS AND 80/100 (\$5,340.80) which Buyer agrees to be paid by cashier's check at closing.
- Conveyance shall be by general warranty deed in proper form for recording and shall convey marketable title as defined by the Title Standards of the Missouri Bar.
- 5. Possession of the property shall be delivered to Buyer following closing.
- 6. Buyer shall pay all recording fees.

- 7. Buyer shall provide a deed of release for the deed of trust in the amount of \$13,500, dated 12/7/1998, recorded on 12/24/1998, book 1486, page 385, Boone County, Missouri.
- 8. Seller shall pay \$3000 to Faber and Brand, LLC to settle judgment lien entered under Case No. 04CV164875 in the Circuit Court of Boone County, Missouri, against Evelyn Lee in favor of Credit Bureau of Columbia dated April 7, 2004.
- 9. Seller shall pay for the title insurance commitment premium. Seller shall pay the fee charged by the title company to handle the closing.
- 10. Seller shall, within thirty (30) days from the date of this contract, acquire a commitment from a company authorized to issue titles in Missouri agreeing to issue title to the above described real estate in the name of the Buyer and Buyer shall have ten (10) days from receipt of the title commitment to examine title and make any objections to the title exceptions in writing to Seller. If Buyer makes no written objections within that time period, Buyer shall waive any right to make objection. In the event Buyer notifies Seller of a lawful objection, Seller shall have sixty (30) days to remove the encumbrance or defect. If Seller is unable to do so by closing, then Buyer may terminate this contract and this contract shall be void. For purposes of title, merchantable title shall be defined by the Missouri Bar Title Examination Standards and any objections must conform to those standards. The cost of the title commitment policy shall be taxed as closing costs to Seller.
- 11. Seller shall pay the real estate taxes, penalties and fees assessed beginning January 1, 2012 and subsequent years.
- 12. Seller will maintain and insure the property until closing and Buyer shall have and produce evidence of hazard insurance effective as of the date of closing. In the event the property or some portion thereof is materially damaged, Seller shall notify Buyer and at Buyer's election may void the contract by giving written notice to Seller within seven (7) days of Seller's notice of damages whether she is electing to close and take the insurance proceeds. If Buyer does not elect to proceed, the insurance proceeds shall belong to Seller and the contract is void. In the event Buyer elects to proceed to close, the insurance proceeds must be used to restore the property to its original habitable condition within a reasonable time.

13. All notices provided for in this contract may be delivered in person or by United States Mail.

Seller's Address is:

Buyer's Address is:

Evelyn Lee 700 N Garth Apt 717 Columbia, MO 65203 City of Columbia Community Development Department, 701 E Broadway, 5<sup>th</sup> Floor Columbia, MO 65201

- 14. This contract shall not be assignable by Buyer.
- 15. This contract shall be binding upon the parties hereto, their heirs, personal representatives, successors and assigns.
- 16. This contract constitutes the entire agreement between the parties and supersedes all previous discussions and agreements and may not be modified except in writing and executed by both parties.
- 17. This contract shall be construed in accordance with the laws of Missouri. Should any part of this contract be litigated, venue shall be proper only in the Circuit Court of Boone County, Missouri or the U.S. District Court for Western Missouri. If any term of this contract is found by a Court of competent jurisdiction to be void or invalid, such finding shall not affect the remaining terms of the contract which shall remain in effect.
- 18. This contract is also contingent upon formal approval by the Columbia City Council.
- 19. This contract is also contingent upon the settlement, in the amount of \$3,000.00, of the judgment entered under Case No. 04CV164875 in the Circuit Court of Boone County, Missouri, against Evelyn Lee in favor of Credit Bureau of Columbia dated April 7, 2004. Settlement must take place on or before November 16, 2013 or this contract shall be void.
- 20. This contract is also contingent upon approval by the Missouri Department of Economic Development of the Tier II Site Specific Environmental Review for the project.

IN WITNESS WHEREOF, the parties hereto have been duly authorized to execute this contract as of the day and year first above written.

SELLER:

Evelyn Lee

STATE OF MISSOURI ) ss COUNTY OF BOONE ) ss

On this 25th day of 5 EPTEMBER, 2013, before me, a Notary Public in and for said state, personally appeared Evelyn Lee, a single person, known to me to be the person who executed the above Contract for Sale of Real Estate and acknowledged to me that she executed the same for the purposes therein stated.

IN TESTIMONY WHEREOF, I have hereunto set by hand and affixed my official seal the day and year first above written.

My commission expires: 45 VNE 2016.

ERIC HEMPEL My Commission Expires June 14, 2016 **Boone County** Commission #12355378

STATE OF MISSOURI )	
COUNTY OF BOONE ) ss	
City Manager of the City of Co foregoing instrument is the corpo- signed and sealed on behalf of t	, 2013, before me appeared Mike who, being by me duly sworn, did say that he is the blumbia, Missouri, and that the seal affixed to the crate seal of the City and that this instrument was the City by authority of its City Council and the City ment to be the free act and deed of the City.
	F, I have hereunto set by hand and affixed my official oone County, Missouri, the day and year first above
	Notary Public
My commission expires:	·
	BUYER: City of Columbia, Missouri
	By: Mike Matthes, City Manager
ATTEST:	
Sheela Amin, City Clerk	
APPROVED AS TO FORM:	
Nancy Thompson, City Counselor	·
to which it is to be	this contract is within the purpose of the appropriation charged, Account No and that mbered balance to the credit of such appropriation efor.
	Ву:
	Director of Finance



Source: Community Development - CDBG/Home Agenda Item No:

To: City Council

From: City Manager and Staff M

Council Meeting Date:

Oct 7, 2013

Re: Approving a Resolution to Forgive CDBG Owner Occupied Rehabilitation Lien and Execution of Contract for Purchase of property located at 208 Ridgeway Avenue.

#### **EXECUTIVE SUMMARY:**

Approval of this Council resolution authorizes the City Manager to forgive the Community Development Block grant (CDBG) rehabilitation lien in the amount of \$13,500.00 on the property at 208 Ridgeway Avenue. Staff has negotiated a contract for purchase of the property with the current owner in the amount of \$5,340.80. Approval of this resolution will authorize the City Manager to execute this contract. Neighborhood Stabilization Program (NSP) land bank acquisition funds will be used for the purchase. The property has been vacant since the early 2000's and was boarded up by Staff in 2010 to deter nuisance activities. The property has been determined to be infeasible to rehabilitate. The owner currently resides in Columbia and is living on a fixed income. The sale contract price includes settlement of all existing property tax obligations, closing costs, title commitment fees, and settlement of a judgment lien against the current owner. If this resolution is approved, Staff plans to move immediately to demolish the structure. The property would become part of the City of Columbia's Community Development Department Land Bank with near future plans to develop affordable housing.

#### **DISCUSSION:**

The NSP is funded through HUD and administered by the Missouri Department of Economic Development. The NSP provides funds to assist in stabilizing neighborhoods at risk of the impacts of foreclosure. The City of Columbia budgeted funds for five NSP eligible activities including: rehabilitation, land bank acquisition, land bank disposition, redevelopment, and administration. A recent budget amendment approved by Council brings the NSP land bank acquisition fund balance to \$28,976, leaving sufficient funds for this purchase. Community Development demolition funds will be used to remove the structure.

A land bank is a governmental or nongovernmental nonprofit entity established, at least in part, to assemble, temporarily manage, and dispose of vacant land for the purpose of stabilizing neighborhoods and encouraging re-use or redevelopment of urban property. The NSP allows properties to be held in land bank status for 10 years. The City has utilized NSP funds to purchase and maintain 5 properties in the NSP land bank program.

The property at 208 Ridgeway Avenue received CDBG rehabilitation assistance in 1984, the loan is structured to be deferred at 0% interest until title transfer. The owner at that time did complete a rehabilitation project, bringing the property up to code, but the structure has fallen into disuse and has been vacant since 2002. In 2010 ONS cited property maintenance conditions and most recently the property was determined to be uninhabitable and was boarded to reduce nuisance activities.

A letter report on the title for 208 Ridgeway Avenue was ordered by Show Me Central/Habitat for Humanity in March of 2013. This revealed delinquent 2012 tax, fees and penalty; the CDBG rehabilitation lien referenced above, and a judgment lien against the current owner in the amount of \$5,359.07. City Legal Staff successfully negotiated a settlement in the amount of \$3,000.00 for this judgment good until November 16, 2013. The estimated settlement costs for the sale are outlined below:

NSP funds from the City of Columbia:	\$	5,340.80
2012 property taxes, fees, penalty, from SELLER 2013 Estimated property taxes, from SELLER Closing costs, title insurance commitment, from SELLER Judgement lien settlement, from SELLER	\$ \$ \$	(467.95) (312.05) (950.00) (3,000.00)
BALANCE to SELLER	\$	610.80

After purchase of the property is complete, Community Development will proceed with demolition and evaluate options for redevelopment. Redevelopment options will likely include construction of single-family affordable house in partnership with a local Community Housing Development Organization.

# **FISCAL IMPACT:**

Approval of this ordinance will forgive the existing rehabilitation loan in the amount of \$13,500.00 and authorizes expenditure of \$5,340.80 in NSP land bank acquisition funds.

## **VISION IMPACT:**

# http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php

The proposed reuse furthers Goals 2.3 and 11.2 through providing additional housing choices for low and very low income owner occupants. Implementation Task 18 will be addressed through the provision of additional affordable housing units.

# SUGGESTED COUNCIL ACTIONS:

Approve the attached ordinance to authorize the release of lien and purchase property.

		FISCAL and \	VISION NOTES	S:	
	<b>City Fiscal Impact</b> Enter all that apply		mpact Mandates		
City's current net FY cost	\$0.00	New Program/ Agency?	No	Federal or State mandated?	Yes
Amount of funds already appropriated	\$0.00	Duplicates/Epands an existing program?	No	Vision Implementation impact	
Amount of budget amendment needed	\$0.00	Fiscal Impact on any local political subdivision?	No	Enter all that apply: Refer to Web site	
Estimated 2 yea	ar net costs:	Resources Rec	<sub>l</sub> uired	Vision Impact?	Yes
One Time	\$0.00	Requires add'I FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	2 and 11
Operating/ Ongoing	\$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	2.3 and 11.2
		Requires add'1 capital equipment?	No	Fiscal year implementation Task #	FY12Task18

September 25, 2013

TO: Timothy Teddy, Director of Community Development, Leigh Britt, Neighborhood Services Manager, Steve Van Matre, Assistant City Attorney, Eric Hempel, CDBG Housing Specialist, Randy Cole, CDBG Coordinator, CPD Officer Melvin Buckner

Ref: 208 Ridgeway Ave. Case # 10-1910

Since 2002 the property at 208 Ridgeway Ave. appears to have been vacant. In the years from that date the structure has been subjected to deterioration and in 2010 the property was noticed of having property maintenance needs through Code Enforcement. During the years to the present time the property has become uninhabitable and was boarded to prevent unknown persons from entering the structure. Before boarding structures of this condition are subject to possible places for crime and squatters to take possession. Today it appears with meetings of city staff and the owner and her pastor an agreement has been arranged for the sale of the property to the city. The City Council will need to approve such a purchase and hopefully the structure will be demolished and the property returned to suitable housing which will be a positive move for the neighborhood.

I want to say Thank You to City Staff for working with Ms. Lee and Rev. David Ballenger knowing that it is not easy for someone to sell there property where they have lived for a number of years. We are fortunate that we have such a staff that can work together with the skills we each have.

Sincerely

Office of Neighborhood Services (573-817-5050)

Bruce E. Martin, CBI

Bruce E. Martin

Senior Code Enforcement Specialist

BOONE-CENTRAL TITLE COMPANY 601 E. BROADWAY, STE 102 COLUMBIA, MO 65201



PHONE (573) 442-0139 TOLL FREE (866) 298-3269 CLOSING FAX (573) 874-7090

#### LETTER REPORT

To: SHOW-ME CENTRAL/HABITAT FOR HUMANITY

ATTN:

File# 1302374

# RECORD INFORMATION CERTIFICATE

The undersigned company hereby certifies that the records in the County of Boone, State of Missouri concerning the following real estate, are as follows:

## LEGAL DESCRIPTION:

Lot Seventy-two (72) in Smithton Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 45, Records of Boone County, Missouri.

OWNER: Evelyn Lee

## **DEEDS OF TRUST:**

DELINQUENT general real estate taxes for the year(s) 2012.

DEED OF TRUST made by Evelyn Lee, a single person, in favor of the City of Columbia, Missouri dated December 7, 1998 and recorded in Book 1486, Page 385, Records of Boone County, Missouri, to secure a loan in the original amount of \$13,500.00.

JUDGMENT entered under Case No. 04CV164875 in the Circuit Court of Boone County, Missouri, against Evelyn Lee in favor of Credit Bureau of Columbia dated April 7, 2004 in the original amount of \$5,359.07 plus interest and costs. Said judgment transcribed to Circuit Court on April 12, 2004. Called 3/15/13 takes 5 fixed to get a respectively

TAXES: 16-318-00-06-046.00 Taxes for 2011 and prior paid; 2012 tax amount \$370.40

SPECIAL ASSESSMENTS: None of Record REQUEST FOR NOTICE: None of Record

Bankruptcy. Judgments, Mechanics Liens, State and/or Federal Tax Liens of record in Boone County, Missouri as follows: See above

We certify to the above report as of March 12, 2013 @ 8:00 AM.

BOONE-CENTRAL TITLE COMPANY