

City of Columbia

701 East Broadway, Columbia, Missouri 65201



Agenda Item Number: B 349-15

Department Source: Community Development - CDBG/Home

To: City Council

From: City Manager & Staff

Council Meeting Date: 12/7/2015

Re: Approving an Ordinance for the Execution of Contracts for Purchase of Properties Located at 105 Lynn Street, 107 Lynn Street, 115 Lynn Street, 700 Oak, 104 W. Sexton, 106 W. Sexton, 108 W. Sexton, and 110 W. Sexton.

Documents Included With This Agenda Item

Council memo, Resolution/Ordinance, Exhibits

Supporting documentation includes: Map, Neighborhood Redevelopment Planning Meeting Notes

Executive Summary

Council approval of this ordinance will authorize the City Manager to execute contracts for purchase of properties located at 105 Lynn Street, 107 Lynn Street, 115 Lynn Street, 700 Oak, 104 W. Sexton, 106 W. Sexton, 108 W. Sexton, and 110 W. Sexton. The properties are vacant lots with a combined total area of approximately 83,152.7 square feet, or 1.9 acres. The lots are located in close proximity to current City funded affordable housing and CDBG projects underway on Lynn Street. There are also several additional planned CDBG funded projects in the vicinity including Garth Sidewalks, Worley and Garth bus shelter, Oak Tower renovations, and Centro Latino exterior renovations.

City staff held a public information and planning meeting on Saturday, October 24th, 2015, with Ridgeway Neighborhood Association members, nearby neighbors and other interested members of the public. The purpose of the meeting was to inform the neighborhood of this purchase and obtain feedback from the neighborhood on preferred redevelopment options. Meeting attendees identified infrastructure needs as the most important item including: storm water enhancements, sewer, sidewalks and electricity. Affordable owner-occupied single family residential housing was also determined as a priority, as well as a rain garden and or playground area. Summary notes from the October 24th meeting are included in this packet. Purchase and redevelopment of these properties aligns well with current citywide strategic planning efforts and current redevelopment efforts within the neighborhood.

Discussion

There are two sales contracts for this transaction due to separate ownership of properties by the Columbia Housing Authority (CHA) and its subsidiary, Columbia Community Housing Trust (CCHT). Properties located at 105 Lynn Street, 107 Lynn Street, 115 Lynn Street, 700 Oak, and 104 W. Sexton are under ownership by the CHA and properties located at 106, 108 and 110 W. Sexton are under ownership by the CCHT. 106-110 W. Sexton were originally purchased and cleared by the City and later donated to CHA for its McQuitty Square project. The CHA has since reprioritized its efforts to renovate its public housing and develop the Veterans campus due to significant resources

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becoming available for these projects.

CHA and City staffs continue to work together in maximizing the utilization of organizational resources to further redevelopment efforts at the lots under consideration. CHA and City staff have agreed to the attached sales contracts to continue progress in addressing neighborhood infrastructure and affordable housing needs on the lots under consideration.

The attached sales contract for the purchase of 105 Lynn Street, 107 Lynn Street, 115 Lynn Street, 700 Oak, and 104 W. Sexton for \$120,355, was negotiated by determining CHA's acquisition and demolition costs for each property. The attached sales contract for 106, 108 and 110 W. Sexton is for \$0.00, due to these lots initially being donated to CHA for its McQuitty Square project.

Approval of the attached ordinance authorizes the City Manager to execute sales contracts for properties located at 105 Lynn Street, 107 Lynn Street, 115 Lynn Street, 700 Oak, 104 W. Sexton, 106 W. Sexton, 108 W. Sexton, and 110 W. Sexton.

Fiscal Impact

Short-Term Impact: \$120,355 utilized from GRRENT CDBG reserve account.

Long-Term Impact: Approximately \$1 million in redevelopment CDBG and non-CDBG combined costs, dependent upon redevelopment project size and scope.

Vision, Strategic & Comprehensive Plan Impact

Vision Impact: Economic Development, Health, Social Services and Affordable Housing

Strategic Plan Impact: Economy, Social Equity, Infrastructure

Comprehensive Plan Impact: Infrastructure, Mobility, Connectivity, and Accessibility, Economic Development, Livable & Sustainable Communities

Suggested Council Action

Approve the attached ordinance authorizing the City Manager to execute sales contracts for purchase of properties located at 105 Lynn Street, 107 Lynn Street, 115 Lynn Street, 700 Oak, 104 W. Sexton, 106 W. Sexton, 108 W. Sexton, and 110 W. Sexton.

Legislative History

July, 15, 2013: City Council approved transfer of title for properties located at 106-110 W. Sexton to the Columbia Housing Authority for the development of McQuitty Square.

August 17, 2015: City Council approved the purchase of adjoining properties located at 109, 111, and 113 Lynn

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701 East Broadway, Columbia, Missouri 65201



A handwritten signature in black ink, appearing to be 'Z. Zly', written over a horizontal line.

Department Approved

A handwritten signature in black ink, appearing to be 'M. McCall', written over a horizontal line.

City Manager Approved

Introduced by _____

First Reading _____

Second Reading _____

Ordinance No. _____

Council Bill No. B 349-15

AN ORDINANCE

authorizing a contract for sale of real estate with The Housing Authority of the City of Columbia for the purchase of property located at 115 Lynn Street, 107 Lynn Street, 105 Lynn Street, 700 Oak Street and 104 W. Sexton Road; authorizing a contract for sale of real estate with The Columbia Community Housing Trust for the purchase of property located at 106 W. Sexton Road, 108 W. Sexton Road and 110 W. Sexton Road; directing the City Clerk to have the contracts recorded; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Manager is hereby authorized to execute a contract for sale of real estate with The Housing Authority of the City of Columbia for the purchase of property located at 115 Lynn Street, 107 Lynn Street, 105 Lynn Street, 700 Oak Street and 104 W. Sexton Road. The form and content of the contract shall be substantially in the same form as set forth in "Exhibit A" attached hereto.

SECTION 2. The City Manager is hereby authorized to execute a contract for sale of real estate with The Columbia Community Housing Trust for the purchase of property located at 106 W. Sexton Road, 108 W. Sexton Road and 110 W. Sexton Road. The form and content of the contract shall be substantially in the same form as set forth in "Exhibit B" attached hereto.

SECTION 3. The City Clerk is authorized and directed to have the contracts for sale of real estate recorded in the office of the Boone County Recorder of Deeds.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

PASSED this _____ day of _____, 2015.

ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor

CONTRACT FOR SALE OF REAL ESTATE

This agreement is dated this _____ day of _____, 2015, by and between The Housing Authority of the City of Columbia, municipal corporation of the State of Missouri (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:

1. 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 115 Lynn Street, 107 Lynn Street, 105 Lynn Street, 700 Oak, and 104 W. Sexton in Columbia, Boone County, Missouri more particularly described as follows:

The west half (w ½) of Lot seven (7) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two (72), both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri, and further shown on the survey for Columbia Housing Authority and the City of Columbia of Lots Two (2) through Nine (9) of John A. Stewart's Subdivision recorded in Book 4074, Page 164, Records of Boone County, Missouri.

The west Fifty (50) feet of Lot number Nine (9) in John A. Stewart's Subdivision of Lots numbered Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Garth's addition to the City of Columbia, Missouri, and further shown on the survey for Columbia Housing Authority and the City of Columbia of Lots Two (2) through Nine (9) of John A. Stewart's

Subdivision recorded in Book 4074, Page 164, Records of Boone County, Missouri.

The east Fifty (50) feet of Lot Nine (9) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two (72), both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri, and further Two (2) through Nine (9) of John A. Stewart's Subdivision Recorded in Book 4074, Page 164, Records of Boone County, Missouri.

Sixty (60) feet off the south end of Lots Four (4) and Five (5) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two (72), both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri and further shown on the survey for Columbia Housing Authority and the City of Columbia of Lots Two (2) through Nine (9) of John A. Stewart's Subdivision Recorded in Book 4074, Page 164, Records of Boone County, Missouri.

The east fifty-nine (59) feet of Lot Two (2) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision for Lots Forty-nine (49) to Seventy-two (72), both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri and further shown on the survey for Columbia Housing Authority and the City of Columbia of Lots Two (2) through (9) of John A. Stewart's Subdivision Recorded in Book 4074, Page 164, 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 Community Development Block Grant Program (CDBG) and the Department of Housing and Urban Development and certain regulations of 24 CFR 570.201-570.206, 24 CFR 570.207 (a)-(b) and 24 CFR 570.208 (a)-(d).
3. The purchase price for the property shall be ONE HUNDRED TWENTY THOUSAND THREE HUNDRED FIFTY-FIVE AND 00/100 DOLLARS (\$120,355.00) which Buyer agrees to be paid by cashier's check at closing.
4. 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. Seller shall pay the real estate taxes assessed from the closing date for the year of purchase and subsequent years. Seller shall pay prorated amount for real estate taxes beginning January 1, 2015 through date of closing.
8. Seller shall pay for the title insurance commitment premium. Seller shall pay the fee charged by the title company to handle the closing.
9. Seller shall, within thirty (30) days from the date of this contract, acquire a commitment from a company authorized to issue title insurance in Missouri agreeing to issue title insurance 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.
10. All notices provided for in this contract may be delivered in person or by United States Mail.

Seller's mailing address is:
The Housing Authority of the
City of Columbia
201 Switzler Street
Columbia, MO 65203


Buyer's Address is:
City of Columbia
Community Development
Department, 701 E
Broadway, 5th Floor
Columbia, MO 65201

11. This contract shall not be assignable by the Buyer.
12. This contract shall be binding upon the parties hereto, their heirs, personal representatives, successors and assigns.
13. 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.

14. 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.
15. This contract is contingent upon formal approval by the Columbia City Council.
16. This contract is contingent upon environmental clearance and release of funds by the U.S. Department of Housing and Urban Development.
17. Closing shall occur on or before December 31, 2015 at Boone Central Title Company.

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

SELLER:

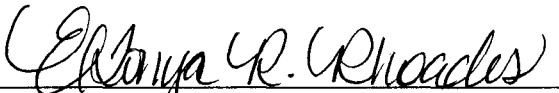


 The Housing Authority of the City of Columbia,
 By Phil Steinhaus, CEO

STATE OF MISSOURI)
) ss
 COUNTY OF BOONE)

On this 20th day of October, 2015, before me, a Notary Public in and for said state, personally appeared Phil Steinhaus, CEO of the Housing authority of the City of Columbia, a municipal corporation of the State of Missouri, and that this instrument was signed on behalf of said corporation and further acknowledged that he executed the same as his free act and deed for the purpose therein stated and has been duly granted the authority by said corporation to execute the same.

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



 Notary Public

My commission expires: Feb 28, 2017.



ELTONYA R. RHOADES
 My Commission Expires
 February 28, 2017
 Boone County
 Commission #13454534

BUYER: City of Columbia, Missouri

By: _____
Mike Matthes, City Manager

ATTEST:

APPROVED AS TO FORM:

Sheela Amin, City Clerk

Nancy Thompson, City Counselor

Certification: I hereby certify that this contract is within the purpose of the appropriation to which it is to be charged, Account No. _____ and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefor.

By: _____
Director of Finance

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this _____ day of _____, 2015, before me appeared Mike Matthes, to me personally known, who, being by me duly sworn, did say that he is the City Manager of the City of Columbia, Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of the City and that this instrument was signed and sealed on behalf of the City by authority of its City Council and the City Manager acknowledged this instrument to be the free act and deed of the City.

IN TESTIMONY WHEREOF, I have hereunto set by hand and affixed my official seal, at my office in Columbia, Boone County, Missouri, the day and year first above written.

Notary Public

My commission expires: _____.

CONTRACT FOR SALE OF REAL ESTATE

This agreement is dated this _____ day of _____, 2015, by and between The Columbia Community Housing Trust, a Missouri non-profit corporation (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:

1. 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 106 W. Sexton, 108 W. Sexton, and 110 W. Sexton in Columbia, Boone County, Missouri more particularly described as follows:

The west forty-one (41) feet Lot Two (2) and the east four and one-half (41/2) feet of Lot Three (3) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two, both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri.

The East Half (E ½) of Lot Three (3) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two (72), both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri. Except the east four and one-half (41/2) feet thereof.

The West half (W ½) of Lot Three (3) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots

Forty-nine (49) to Seventy-two (72), both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri.

(hereinafter referred to as the "Property");

2. The real estate offered by Seller and being purchased by Buyer is sold pursuant to all rules and regulations of the Community Development Block Grant Program (CDBG) and the Department of Housing and Urban Development and certain regulations of 24 CFR 570.201-570.206, 24 CFR 570.207 (a)-(b) and 24 CFR 570.208 (a)-(d).
3. The purchase price for the property shall be ZERO DOLLARS AND 00/100 DOLLARS (\$00.00). The consideration being the mutual promises and agreements contained herein, which the parties acknowledge and agree is good and valuable consideration.
4. 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. Seller shall pay the real estate taxes assessed from the closing date for the year of purchase and subsequent years. Seller shall pay prorated amount for real estate taxes beginning January 1, 2015 through date of closing.
8. Seller shall pay for the title insurance commitment premium. Seller shall pay the fee charged by the title company to handle the closing.
9. Seller shall, within thirty (30) days from the date of this contract, acquire a commitment from a company authorized to issue title insurance in Missouri agreeing to issue title insurance 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.

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

Seller's mailing address is:
The Housing Authority of the
City of Columbia
201 Switzler Street
Columbia, MO 65203

Buyer's Address is:
City of Columbia
Community Development
Department, 701 E
Broadway, 5th Floor
Columbia, MO 65201

11. This contract shall not be assignable by the Buyer.
12. This contract shall be binding upon the parties hereto, their heirs, personal representatives, successors and assigns.
13. 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.
14. 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.
15. This contract is contingent upon formal approval by the Columbia City Council.
16. This contract is contingent upon environmental clearance and release of funds by the U.S. Department of Housing and Urban Development.
17. Closing shall occur on or before December 31, 2015 at Boone Central Title Company.

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

SELLER:



The Columbia Community Housing Trust,
By Phil Steinhaus, CEO

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this 20th day of October, 2015, before me, a Notary Public in and for said state, personally appeared Phil Steinhaus, CEO of The Columbia Community Housing Trust, a Missouri non-profit corporation, and that this instrument was signed on behalf of said corporation and further acknowledged that he executed the same as his free act and deed for the purpose therein stated and has been duly granted the authority by said corporation to execute the same.

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

Eltonya R. Rhoades
Notary Public

My commission expires: Feb. 28, 2017



ELTONYA R. RHOADES
My Commission Expires
February 28, 2017
Boone County
Commission #13454534

BUYER: City of Columbia, Missouri

By: _____
Mike Matthes, City Manager

ATTEST:

APPROVED AS TO FORM:

Sheela Amin, City Clerk

Nancy Thompson, City Counselor

Certification: I hereby certify that this contract is within the purpose of the appropriation to which it is to be charged, Account No. _____ and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefor.

By: _____
Director of Finance

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this _____ day of _____, 2015, before me appeared Mike Matthes, to me personally known, who, being by me duly sworn, did say that he is the City Manager of the City of Columbia, Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of the City and that this instrument was signed and sealed on behalf of the City by authority of its City Council and the City Manager acknowledged this instrument to be the free act and deed of the City.

IN TESTIMONY WHEREOF, I have hereunto set by hand and affixed my official seal, at my office in Columbia, Boone County, Missouri, the day and year first above written.

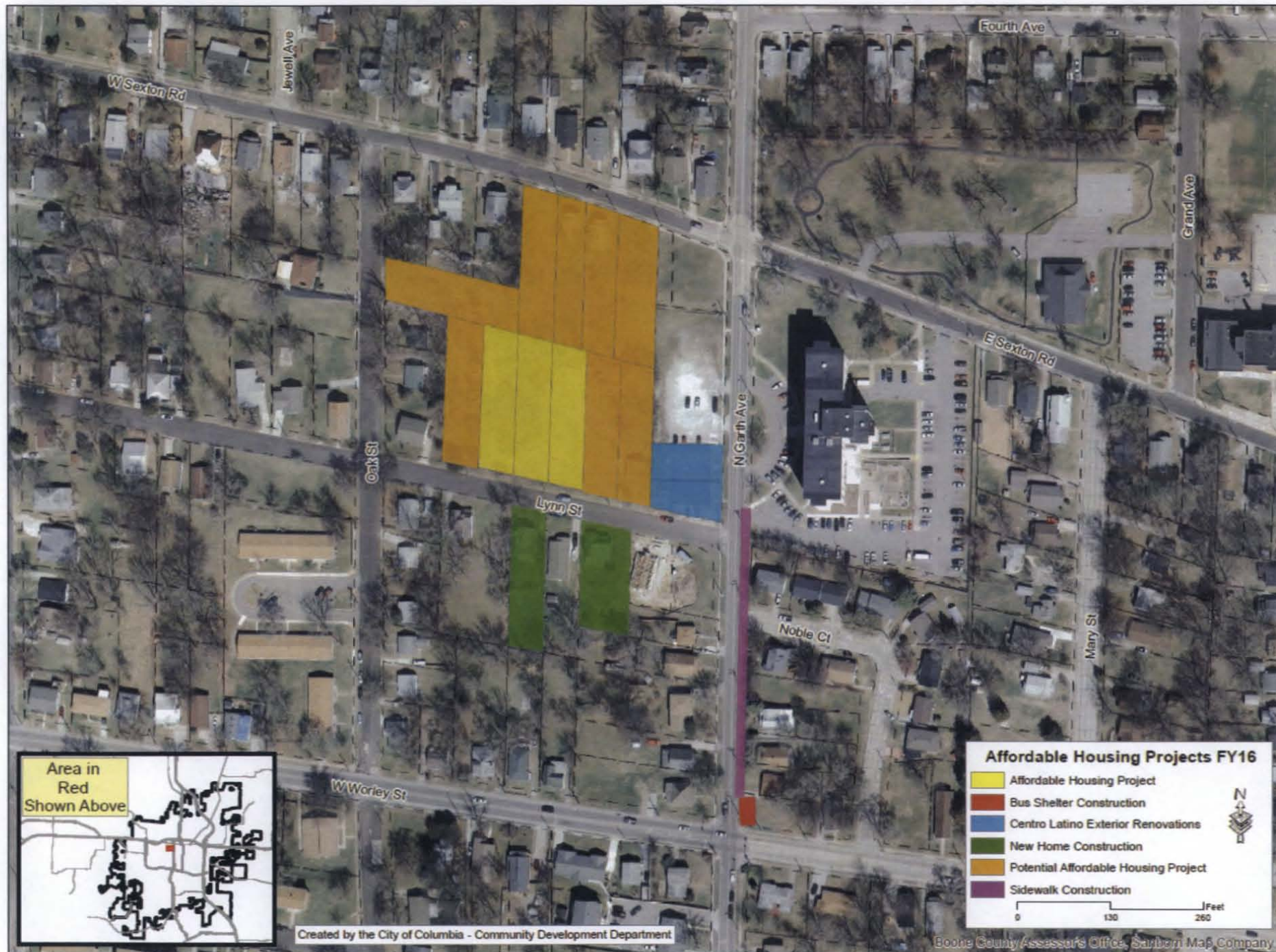
Notary Public

My commission expires: _____.



SUPPORTING DOCUMENTS INCLUDED WITH THIS AGENDA ITEM ARE AS FOLLOWS:

Map, Neighborhood Redevelopment Planning Meeting Notes



Neighborhood Meeting Summary Notes - Saturday, October 24

The event was held in order for neighborhood members to be informed of the potential City purchase of properties on the block of Lynn, Garth, Oak and Sexton, as well as provide an opportunity for the neighborhood to inform how the land should be utilized and redeveloped. The group conducted a walking tour of the properties and then split into 2 groups and prioritized a list of redevelopment options. There were 15 participants in attendance.

Group 1 (Redevelopment Priorities with Corresponding Number of Participant Votes)

- Adequate infrastructure in place first before further development - 17
 - Sewer
 - Stormwater
 - Sidewalks
 - Street/sidewalk lighting
 - Electricity
- Neighborhood residential - single family - 15
- Maximum 80% of project from CDBG

Group 2 (Redevelopment Priorities with Corresponding Number of Participant Votes)

- Playground in open space next to Centro Latino for after school programs; focus on safety - 10
- Low income/affordable housing - 9
- Daylight spring along walkway - 8
- Lots of trees - 8
- Rain garden by trail - 8
- Neighborhood wifi - 7
- Training program at Labor Temple - 7
- Tiny homes would help address homelessness - 6
- More attractive lighting - 6
- United market store - 5
- Stevenson property for trading/arts program - 5
- Underground or move utilities - 4
- Name for area - 3
- Community garden--western end - 3
- Think about across by Boys and Girls Club; support City buying NE corner - 3
- 2 lots on Sexton--cottages/ADUs - 3
- Dog park - 3
- Bus line along Sexton - 3
- Walking trail in alleys - 1

Additional Staff Observations

- Infrastructure issues, particularly storm and sanitary sewers, area major issue
- Interest in sidewalk on north side of Worley west from Garth--project is in the Sidewalk Master Plan but is not funded
- No parking after 9:00 p.m. on Lynn should be removed (Crespi)
- Multiple funding sources should be used so no more than 80% of funds are CDBG