

Introduced by _____ Council Bill No. R 61-12

A RESOLUTION

setting a public hearing to consider an amendment to the
Neighborhood Stabilization Program budget.

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

SECTION 1. A public hearing will be held before the City Council of the City of
Columbia, Missouri in the Council Chamber in the City Hall Building, 701 E. Broadway,
Columbia, Missouri on May 21, 2012 at 7:00 p.m. to consider an amendment to the
Neighborhood Stabilization Program budget. All citizens and interested persons will be
given an opportunity to be heard.

SECTION 2. The City Clerk is hereby directed to cause notice of this hearing to be
published in a newspaper of general circulation in Boone County, Missouri.

ADOPTED this _____ day of _____, 2012.

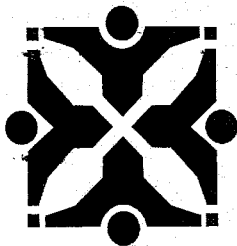
ATTEST:


City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor



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

To: **City Council**
From: **City Manager and Staff** 

Council Meeting Date: May 7, 2012

Re: Set Public Hearing for an Amendment to the Neighborhood Stabilization Program (NSP) Budget

EXECUTIVE SUMMARY:

In January of 2009, the City of Columbia was awarded \$610,806 in NSP funding through the U.S. Department of Housing and Urban Development (HUD) to assist in stabilizing distressed neighborhoods. Eligible activities in the City of Columbia's NSP budget include: rehabilitation, land bank acquisition, land bank disposition, redevelopment, and administration. Staff has prepared a resolution setting a public hearing for an amendment to the NSP budget. The amendment to the budget will facilitate the purchase of 603 N. Fourth.

DISCUSSION:

The NSP is funded through HUD and administered by the Missouri Department of Economic Development (MoDED). The NSP provides funds to assist in stabilizing neighborhoods at particular 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. The City has purchased and rehabilitated 3 homes with NSP-Rehabilitation funding: 904 Madison, 13 E. Forest, and 711 Mikel. Rehabilitation work is complete on 711 Mikel and 904 Madison, while 13 E. Forest should be complete within the next 30 days.

Currently there is approximately \$35,000 in NSP-Rehabilitation funds, and most rehabilitation work is nearing completion, leaving more funds than necessary for project completion. Upon approval of the Council and MoDED, City staff will move \$5,000 out of NSP-Rehabilitation to NSP-Land Bank Acquisition, in order to purchase 603 N. Fourth. The owner of 603 N. Fourth formally acknowledged that the City would not pursue acquisition of the property under eminent domain if a sales agreement could not be reached. The City negotiated a sales price of \$3,960 for the purchase of 603 N Fourth, and a contract has been executed between the Seller and the City. The City plans to utilize CDBG funding to demolish the structure at 603 N. Fourth. The demolition of this property, which is not habitable, should improve and strengthen the neighborhood. The environmental review for purchase and demolition of 603 N. Fourth has been approved by the MoDED.

The City has purchased four properties for land bank activities.. The City is currently land banking these properties and will be entering into a public process over the next year to determine future uses for these properties. HUD and MoDED rules allow any CDBG eligible activity on land-banked properties, and the properties may be "land-banked" for up to 10 years. The 603 N. Fourth property will also go through a public process for determining future use.

FISCAL IMPACT:

Setting a public hearing has no fiscal impact.

VISION IMPACT:

<http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php>

The projects further Goals 2.3 and 11.2 through providing additional housing choices for low and very low income owner occupants, including homes to be constructed in the central city. Implementation Task 18 will be addressed through the provision of additional affordable housing units.

SUGGESTED COUNCIL ACTIONS:

Approve the attached resolution to hold a public hearing on May 21, 2012 to consider an amendment to the NSP budget.

FISCAL and VISION NOTES:					
City Fiscal Impact Enter all that apply		Program Impact		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/Expands 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 net costs:		Resources Required		Vision Impact?	Yes
One Time	\$0.00	Requires add'l 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

RECEIPT OF DOCUMENT AND BROCHURE

This is to acknowledge that I have received the letter from the City of Columbia, Department of Community Development, regarding the Acquisition of 603 N. 4th Street, dated February 7, 2012.

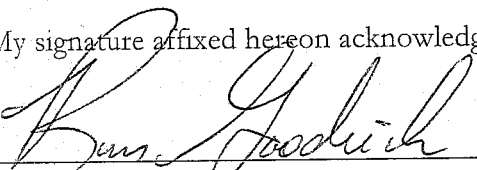
I/we have been informed that The City of Columbia, Missouri is interested in purchasing the aforementioned property and that the City of Columbia, Missouri possesses eminent domain authority to acquire property; however, in the event I/we are not interested in selling my/our property, or if we cannot reach an amicable agreement for the purchase of my/our property, The City of Columbia, Missouri will not pursue its acquisition under eminent domain.

Further, I/we have been informed that the City of Columbia, Missouri intends to use Neighborhood Stabilization Funds for the purchase of 604 N. 4th and must purchase this real estate at a discount of appraised value. I/we further attest that I/we were provided a copy of the appraisal and the opportunity to meet with the appraiser to address any concerns.

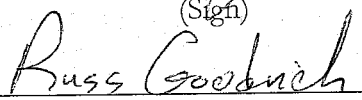
I/we do hereby certify that the property has been vacant for at least 90 days and currently uninhabitable and I/we do not intend to make any corrections or improvements to make the unit(s) habitable.

I/we do have been informed that the City of Columbia shall comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) as applicable to this real property transaction.

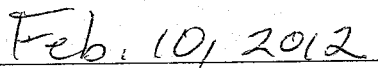
My signature affixed hereon acknowledges receipt.



(Sign)



(Print)



(Date)

RECEIVED

FEB 14 2012

PLANNING DEPT



State of Missouri
Neighborhood Stabilization Program (NSP)
Contract Amendment Request

Grantee Name: City of Columbia Project Number: 2008-DN-04
Date of Request: May 7, 2012 Contract Award Date: 1/20/2009

NOTE: In the following, please list all NSP activities even if they are not included as part of the amended amounts.
Please submit THREE(3) signed copies with original signatures to DED.

NSP Activity	Existing Budget	Revised Budget Request	Amount Increase/(Decrease)
Acquisition	169,790.00	169,790.00	
Rehabilitation	248,806.00	243,806.00	(5,000.00)
Land Bank Acquisition	55,675.00	60,675.00	5,000.00
Land Bank Disposition	16,364.00	16,364.00	
Redevelopment	77,575.00	77,575.00	
Administration	42,614.00	42,614.00	
Totals	610,824.00	610,824.00	0.00

Explanation of Request: This budget amendment request moves \$5,000 from Rehabilitation to Land Bank Acquisition in order to purchase 603 N. Fourth. This is an uninhabitable property that will be demolished through the use of CDBG funds.

This amendment shall be effective on May 7, 2012. All other terms and conditions of the contract, or any amendments thereto, shall remain unchanged. IN WITNESS WHEREOF, the parties hereto execute this agreement.

City of Columbia
City/County Name

Name of Authorizing Authority

Authorized Signature

Title

Date

Department of Economic Development
Division of Business and Community Services
Neighborhood Stabilization Program (NSP)

Sallie Hemenway, Director

Date