



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: Community Development - CDBG/Home

To: City Council

From: City Manager & Staff

Council Meeting Date: April 16, 2018

Re: Approving an Ordinance for the Execution of a Contract for Purchase of Properties Located at 1101 North Eighth Street and 1103 North Eighth Street

## Executive Summary

Council approval of this ordinance will authorize the City Manager to execute a contract for purchase of property located at 1101 North Eighth Street and 1103 North Eighth Street. The properties consist of vacant land that adjoins a vacant lot to the north currently under City ownership. Purchase of these properties will allow for better long-term planning of the development and a higher impact in stabilizing the neighborhood. Preliminary plans are to develop these lots with affordable, energy-efficient, universally designed, single family residential structures with local Community Housing Development Organization(s) that will transfer land to the Columbia Community Land Trust, upon completion.

## Discussion

The City Council approved the allocation of \$200,000 in City Surplus savings within the FY 2018 City Budget. These funds were allocated for the purpose of supporting the development of four affordable, owner-occupied homes on North Eighth Street, to be included within the Columbia Community Land Trust.

The attached "Contract for Sale of Real Estate" includes a purchase price of \$125,500 for 1101 North Eighth Street and 1103 North Eighth Street. The lots are currently zoned RMF Multiple-Family Dwelling District and the combined area of both lots is 36,620 square feet. The City currently owns the adjoining property to the north. Using part of the \$200,000 to acquire these two additional lots will allow for a more thoughtful and efficient planning of the development that will also result in a higher impact to the neighborhood. Staff estimates that the purchase of these additional lots will facilitate the eventual development of 12 homes versus four homes over the long term, when combining additional CDBG and HOME funding for future development.

The sales price represents a per square foot cost of \$3.43 per square foot for the land within the attached agreement. City staff had an appraisal conducted on September 17, 2016 for a North Eighth property two parcels directly north of 1103 North Eighth Street, also consisting of vacant land, which indicated a per square foot value of \$3.35 at the time of appraisal. The comparable properties within the report contained values ranging from \$2.76 per square foot to \$3.76 per square foot. City staff feels the \$3.43 per square foot is a reasonable price, given previous appraisal data and the potential added value to the overall development and neighborhood.



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City staff, North Central Neighborhood Association leadership and Columbia Community Land Trust board members engaged the neighborhood over the past 2 years to gain input on how this property should be developed. City staff conducted a survey in the fall of 2015 and also attended North Central Columbia Neighborhood Association meetings in the summer of 2016 and spring of 2017 to describe the project concept and gain an understanding on the desires of the neighborhood. Survey results and neighborhood feedback were very supportive of the development of affordable, owner occupied homes. A significant amount of neighborhood feedback also included the desire to expand the project to include additional adjoining vacant property, therefore staff is recommending the approval of the attached ordinance to authorize the purchase of the 1101 North Eighth and 1103 North Eighth properties.

## Fiscal Impact

Short-Term Impact: \$125,500 in City Surplus funds previously allocated.  
Long-Term Impact: \$600,000 in HOME funding over a period of 4 years.

## Strategic & Comprehensive Plan Impacts

### Strategic Plan Impacts:

Primary Impact: Social Equity, Secondary Impact: Economy,

### Comprehensive Plan Impacts:

Primary Impact: Livable & Sustainable Communities, Secondary Impact: Mobility, Connectivity, and Accessibility, Tertiary Impact: Land Use & Growth Management

## Legislative History

Date	Action
9/18/2017	City Council approved the FY 2018 City Budget that included \$200,000 to support the development of 4 affordable homes to be included within the Columbia Community Land Trust.

## Suggested Council Action

Approve the attached ordinance authorizing the City Manager to execute a sales contract for purchase of 1101 North Eighth Street and 1103 North Eighth Street.