CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY

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Bill Type and Number: Ordinance 2022-261

Introducer/Sponsor(s): Council Member Gaffney

Date of Introduction: April 12, 20228

Committee(s) of Reference: NCSPHS, TEU, R

Date of Analysis: April 14, 2022

Type of Action: Declaration and disposition of surplus property; Ordinance Code waivers; delegation of authority; providing for right of reentry; designation of oversight agency

Bill Summary: The bill declares as surplus three tax-reverted parcels of property and conveys them to Grace and Truth Community Development Corporation at no cost. It waives the provisions of Ordinance Code Sec. 122.423 regarding the procedure for disposition of property suitable for affordable housing purposes and waives the provisions of Section 122.421(h) regarding conveyance of property to a party that has outstanding liens on another property it owns in the city. The bill provides the City the right of reentry to revert the property to City ownership if it is used for a purpose other than affordable housing. The City Real Estate Division is designated as the oversight agency for this transaction and for tracking future use of the property.

Background Information: The three residential parcels are located at 357 Birch Street near North Pearl Street and 4519 Springfield Boulevard in the Golfair neighborhood, and at 45 East 16th Street in Springfield. The properties were reverted to the City for non-payment of taxes in two cases and for failure to use the property for affordable housing after being conveyed by the City for that purpose in the other case. They have been the subject of nuisance complaints and City remediation actions and Grace and Truth CDC wishes to take possession of the parcels to improve their condition and use them for affordable housing. The Code waivers are required to convey the properties directly to Grace and Truth CDC without first placing them on the affordable housing inventory list and offering them to any interested affordable housing provider, and to allow one of the parcels to be conveyed to a recipient that has unpaid liens pending on another property it owns in the city. Grace and Truth CDC has 6 liens pending on a property it acquired from another owner with the liens already in place. Language in the ordinance gives the City the right, but not the obligation, to reenter the property and revert it to City ownership should Grace and Truth CDC fail to use the properties for affordable housing purposes as required.

Policy Impact Area: Affordable housing; surplus property disposition

Fiscal Impact: The Property Appraiser assesses the value of the 3 parcels at \$67,698, \$14,015, and \$48,591.

Analyst: Clements