



Legislation Details (With Text)

File #: R-2018-145 **Version:** 1 **Name:** Sale of 2131 Cleveland Street
Type: Resolution **Status:** Passed
File created: 5/2/2018 **In control:** Community Development Division
On agenda: 5/16/2018 **Final action:** 5/16/2018
Title: A Resolution Of The City Commission Of The City Of Hollywood, Florida, Approving And Authorizing The Sale Of City-Owned Property, Located At 2131 Cleveland Street, To Reef Properties, LLC In The Amount Of \$144,900.00; Authorizing The Appropriate City Officials To Execute The Attached Residential Contract For Sale And Purchase Along With A Warranty Deed.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Reso 2131 Cleveland St Sale.pdf, 2. 2131Cleveland St Contract.pdf, 3. Appraisal_2131 Cleveland Street Hollywood FL 33020.pdf, 4. TERMSHEETCOSAC2131CLEVELANDSTSALEPURCHASE2018.pdf, 5. BIS 18-171.pdf

Date	Ver.	Action By	Action	Result
5/16/2018	1	Regular City Commission Meeting	adopt	Pass

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Approving And Authorizing The Sale Of City-Owned Property, Located At 2131 Cleveland Street, To Reef Properties, LLC In The Amount Of \$144,900.00; Authorizing The Appropriate City Officials To Execute The Attached Residential Contract For Sale And Purchase Along With A Warranty Deed.

Staff Recommends Approval of Attached Resolution.

Explanation:

On April 3, 2015, the City acquired the real property located at 2131 Cleveland Street consisting of a single family residence from Sean Cononie by Special Warranty Deed.

On November 15, 2017, the City Commission passed and adopted Resolution No. R-2017-330 which approved and authorized the issuance of Blanket Purchase Order No. B003071 with Real Estate Asset Disposition Corp. ("READ") to provide real estate services to the City.

City staff determined that READ would market the Cleveland Street property for sale and it would be sold "As Is" with all closing costs to be paid by the buyer.

READ's efforts have resulted in receipt of an offer to purchase the property "As Is" from Reef Properties, LLC of Weston, Florida, in the amount of \$144,900.00, along with an initial deposit in the amount of \$5,000.00 from the Buyer. A copy of the "As Is" Residential Contract for Sale and Purchase is attached as Exhibit 1.

Pursuant to Section 13.01(a), of the City Charter, entitled Sale of City-Owned Real Property, any

property which the city proposes to sell or otherwise dispose of must be appraised by one (1) independent, qualified appraiser. If the appraiser values the property in excess of two hundred fifty thousand dollars (\$250,000.00), a second independent appraisal is required. If the two appraisals differ by more than 25%, a third independent appraisal is required.

An independent appraisal of the property was conducted on July 28, 2017 by The Urban Group, Inc., and the appraised value of the property in its "As Is" condition was determined to be \$190,000.00. Pursuant to Section 13.01. (b) and (c) of the City Charter, if the subject sale is less than \$250,000.00 and not beach, beachfront, park, or other recreational facility, the property may be sold upon a simple majority vote of the City Commission.

The appraised value of the property does not reflect extensive roof damage sustained as a result of Hurricane Irma. It's in poor shape and need of extensive rehabilitation or possible replacement.

Upon sale of the property, the property will be placed on the tax rolls and the City's ongoing maintenance costs shall be eliminated. Upon sale, the City's exposure to risk of further damage during a hurricane will be eliminated. Staff recommends that the City Commission approve and authorize the execution of the attached Contract along with a Warranty Deed for the sale of the Property to Reef Properties, LLC in the amount of \$144,900.00. Closing on the transaction is scheduled for June 24, 2018, pending approval of the proposed sale by the City Commission. Sales proceeds shall be deposited in the General Revenue Account Number 34.1200.00000.364.00220.

Recommended for inclusion on the agenda by:

Dr. Wazir Ishmael, City Manager

Gus Zambrano, Assistant City Manager

Shiv Newaldass, Chief Development Officer/Interim Director of the Department of Development Services

Clay Milan, Community Development Division Manager