Council Communication

Department: Community Development Case/Project No. N/A	Resolution No. 24- ____	City Council 6-10-2024

Subject/Title

Approval of the acquisitions of 2205 S. 9th Street and 2209 S. 9th Street

Background/Discussion

The owners of 2205 S. 9th Street and 2209 S. 9th Street have expressed interest in voluntarily selling their properties to the City. These properties are located adjacent to the former Reliance Battery Factory. City staff proposes to acquire the properties and demolish the existing structures as part of the redevelopment of the former battery factory site. By acquiring these two properties the City will own the north half of the block and it will create a better boundary and site for future redevelopment.

Appraisals were completed for the following values:
2205 S. 9th Street: $168,000
2209 S. 9th Street: $155,000

A resolution has been prepared authorizing the acquisitions of the properties in the amount of $323,000 plus closing and relocation costs. Community Development Block Grant (CDBG) funds from the US Housing and Urban Development Department (HUD will be used for all costs. There are tenants currently residing in both properties. To assist the tenants moving expenses, the City is proposing to offer relocation costs based on HUDs Residential Moving Cost Schedule that provides tenants compensation to relocate to a comparable unit. The total amount for 2209 S. 9th Street is proposed at $1350 and the amount for 2205 S. 9th Street is proposed at $1,600. The tenants would be given 90 days to relocate. Once the tenants have been relocated, the structures would be demolished. The demolition of the properties will go out for bid this summer and said costs will be covered with CDBG funds.

Recommendation

The Community Development Department recommends City Council adopt a resolution authorizing the Mayor to execute the real estate contract and other related closing documents to acquire 2205 S. 9th Street and 2209 S. 9th Street for $323,000 plus closing and relocation costs with CDBG funds.

Attachments

Attachment: Location Map