



# City of Eustis

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TO: EUSTIS CITY COMMISSION

FROM: TOM CARRINO, CITY MANAGER

DATE: FEBRUARY 15, 2024

RE: RESOLUTION NUMBER 24-23: APPROVAL OF REINSTATEMENT AND FIRST AMENDMENT TO VACANT LAND CONTRACT FOR CITY-OWNED PROPERTY LOCATED AT 110 W. WOODWARD AVENUE.

## **Introduction:**

Resolution Number 24-23 approves the Reinstatement and First Amendment to Vacant Land Contract between the City of Eustis and Hayes Bros. Funeral Home for City-owned property located at 110 W. Woodward Avenue.

## **Background:**

On November 9, 2015, the Eustis Code Enforcement Board issued a Demolition Order for an unsafe single-family dwelling located at 110 West Woodward Avenue. Previously, the Board authorized the City Attorney to begin foreclosure proceedings against this property for unpaid code fines. However, while preparing the action for City Commission approval it was discovered that the property had over \$11,000 in unpaid taxes that the City would have had to pay in order to obtain clear title to the property. Rather than pay the delinquent taxes, which were well in excess of the Lake County Property Appraiser's assessed value at the time (\$5,346.00), the City opted to demolish the unsafe structure and wait to see if the property would escheat to Lake County for unpaid taxes.

In June 2016, the unsafe structure was demolished by a contractor on behalf of the City. Costs to the City including asbestos survey and demolition totaled \$3,768.00. On March 6, 2020, Lake County acquired the property at 110 West Woodward Avenue via tax escheatment. Lake County then donated the unencumbered property to the City of Eustis on April 21, 2020.

As the property is located adjacent to the Hayes Bros. Funeral Home overflow parking area, Messrs. Hayes had previously expressed interest in the property and have been maintaining the vacant lot. Development Services contacted them on May 11, 2020 to inquire as to their interest in acquiring the property. Messrs. Hayes made an offer to purchase the property for \$3,000.00 and agreed to pay all closing costs.

At the September 17, 2020, City Commission meeting, the City Manager discussed the proposal for the sale of the vacant lot to the Hayes Bros. Funeral Home and received a consensus from the Commission to proceed with the transaction.

On or about October 7, 2020, the City and Hayes Bros. Funeral Home entered into a vacant land contract for the subject property. The contract was set to automatically terminate on October 15, 2020.

During the title search, the parties were informed that title insurance on the property could not be issued without a quiet title action since the 4-year statute of limitations for challenges to tax deed sales did not expire until March 6, 2024.

The parties decided to wait for the expiration of the statutory period and close the transaction when title insurance could be issued at closing. Hayes Bros. Funeral Home has continued to maintain the lot throughout this period. The parties seek to execute a Reinstatement and First Amendment to Vacant Land Contract extending the closing date to March 8, 2024.

**Recommendation:**

Staff recommends approval of Resolution Number 24-23.

**Prepared By:**

Sasha O. Garcia, City Attorney

**Reviewed By:**

Tom Carrino, City Manager

**Attachments:**

- September 17, 2020 City Commission Staff Report Re: Proposed Sale of 110 W. Woodward Avenue with Offer Letter from Hayes Bros. Funeral Home.
- Original Vacant Land Contract.
- Resolution Number 24-23 with Reinstatement and First Amendment to Vacant Land Contract attached as Exhibit "A."