

STAFF REPORT REGULAR MEETING

AGENDA DATE: August 18, 2026

DEPARTMENT: City Attorney

TITLE:

Consideration of deed restriction for 628 North K Street

SUMMARY:

The current owners purchased 628 North K Street from the City through RFP 15-207, subject to a deed restriction related to improvement of the property. The owner is seeking relief from the deed restriction.

BACKGROUND AND JUSTIFICATION:

In October of 2015, the City issued RFP 15-207 seeking purchasers for various surplus properties owned by the City. Alicia Heine & Frederick Lummis were the successful proposers for the property at 628 North K Street and proposed to construct a single-family residential dwelling on each of the two platted lots located at that address in accordance with the City's Historic Guidelines. Ms. Heine & Mr. Lummis took title to the property on June 28, 2016, subject to a deed restriction that states that they must comply with the terms and conditions of the RFP and upon a determination by the City that they had failed to do so, the City has a right to require a return of the property upon 30 days prior written notice. Pursuant to the terms of the RFP and the deed restriction, the owners were to obtain permits for construction within 12 months and complete construction within 24 months of the transfer of the property.

The property was never improved. Ms. Heine is now seeking to sell the property. The owner and prospective purchaser have requested the Commission consider the deed restriction. Staff has identified the following options:

1. The City Commission may determine that the owner has failed to comply with the terms and conditions of RFP 15-207 and provide the required 30 days written notice requiring the owner return the property to the City in accordance with the deed restriction, at no cost to the City.
2. The City Commission may agree to extend the timeframe for compliance with the terms and conditions of RFP 15-207, giving the new owner 12 months to obtain building permits and 24 months to complete construction of the improvements proposed by Ms. Heine and Mr. Lummis in response to the RFP, requiring the property be transferred subject to the deed restriction.
3. The City Commission may release the property from the deed restriction.

Staff will be reviewing the other properties sold in response to the RFP and will bring forward for Commission consideration any others, which appear to have failed to comply with the requirements of the RFP.

MOTION:

Move to approve/disapprove one of the suggested options or provide staff with direction regarding the deed restriction for 628 North K Street.

ATTACHMENT(S):

RFP 15-207

Proposal from Ms. Heine & Mr. Lummis for 628 North K Street

Deed to Ms. Heine & Mr. Lummis for 628 North K Street

Historic Preservation Covenant for 628 North K Street