

CITY OF RICHLAND CENTER

AGENDA ITEM COVER SHEET

Agenda Item: Consider Offers and Potential Sale of City Owned Lot at 291 N Jefferson St.

Meeting Dates: Finance Committee 3/5/2024; Common Council 3/5/2024

Requested by: Jasen Glasbrenner - Economic Development Director

Background:

- This lot is part of a redevelopment program involving a partnership between the City and the County.
- County took this lot and blighted buildings because of back taxes and sold to the City for \$1.
- City agreed to demo the buildings and work towards redeveloping the sight into a valuable community asset and tax generating property.
- The zoning of designation of this this lot is Commercial General which allows for a duplex up to a 4 unit residential structure. City is requiring buyer to build a residential structure.
- Two offers for the property have been received:
 - **Offer 1 – From Shade Thompson - Received 2/27/2024**
 - Amount of offer = \$5,500 for the lot.
 - Buyer agrees to execute the Development Agreement which requires a \$10,000 performance guarantee to be held by the City.
 - The offer is contingent upon a variance from rear yard setback (reduce from 20ft to 15ft) with variance proceedings to be executed by the City at no cost to the buyer.
 - Plan is to build a duplex
 - **Offer 2 – From ENS Development - Received 3/1/2024**
 - Amount of offer = \$6,000 (w/ \$500 sliding clause to \$15K) for the lot.
 - Buyer agrees to execute the Development Agreement which requires a \$10,000 performance guarantee to be held by the City.
 - Plan is to build a duplex

Staff Recommendation: Accept one of the offers for redevelopment of the lot at 291 N Jefferson St.

Financial Impact / Funding Source:

Income from sales proceeds, less associated closing costs.

Requested Action by Finance Committee:

Motion to recommend to the Common Council to authorize personnel to complete the sale of 291 N. Jefferson St. to ENS Development, LLC.

Requested Action by Common Council:

Motion to authorize personnel to complete the sale of 291 N. Jefferson St. to ENS Development, LLC.

Attachments:

- Shade Thompson Offer to Purchase
- ENS Development Offer to Purchase
- Copy of Draft of Development Agreement for 291 N Jefferson St.