



COUNCIL AGENDA STATEMENT

Meeting Date: December 13, 2022
To: Honorable Mayor and Councilmembers
From: Maria Covelli, Grants Coordinator
Through: George Garrett, City Manager

Agenda Item: **Resolution 2022-136**, Approving a Contract Between The City of Marathon And Errol Williams and Miriam Reyes for the Purchase of the Property at 398 116th Street Ocean, Marathon, FL with Parcel ID 00346050-000000; Appropriating Funds; And Providing For An Effective Date

BACKGROUND & JUSTIFICATION:

The Florida Department of Economic Opportunity (DEO) awarded the City a \$5,000,000 grant for the Purpose of Implementing the CDBG-DR Home Buyout Program in order to reduce flood risk in future hurricane events.

An appraisal was made, the offer amount of \$280,000 was accepted by the property owners and approval was gained by the Florida Department of Economic Opportunity.

The City of Marathon will complete the purchase of the property and demolish any structures on the property and restore the property to a green space, stormwater drainage, or for recreational purposes in perpetuity.

ATTACHMENTS

Grant Contract

CONSISTENCY CHECKLIST:

	Yes	No
1. Comprehensive Plan – Chapter 8	<u> X </u>	_____
2. Other: DEO grant requirement	<u> X </u>	_____

FISCAL NOTE:

The Adopted FY23 CDBG Special Revenue Fund Budget includes appropriations of \$1,308,118 for this grant funded home buyout program.

RECOMMENDATION: Approval of Resolution

**CITY OF MARATHON, FLORIDA
RESOLUTION 2022-136**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, APPROVING THE PURCHASE AMOUNT FOR PROPERTY AT 398 116TH STREET OCEAN, MARATHON, FL, PARCEL ID 00346050-000000; APPROPRIATING FUNDS; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City of Marathon has accepted a \$5,000,000 Grant Award from the Florida Department of Economic Opportunity (DEO) for the Purpose of Implementing the CDBG-DR Home Buyout Program to reduce flood risk and repetitive property loss in future hurricane events.; and

WHEREAS, the City of Marathon has made and the property owners accepted, an offer of \$280,000 to purchase the property at 398 116th Street Ocean, Marathon, Parcel ID 00346050-000000 and

WHEREAS, DEO has approved the transaction, the City of Marathon will complete the purchase of the property at 398 116th Street Ocean, Marathon, Parcel ID 00346050-000000;

WHEREAS, the City of Marathon will commit to demolishing any structures on the property and restore the property to a green space, stormwater drainage, or for recreational purposes in perpetuity; and

WHEREAS, the Marathon City believes the purchase of this property will help mitigate the area against future loss due to flooding.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:

Section 1. The above recitals are true and correct and are incorporated herein

Section 2. The City of Marathon will coordinate with the property owners and the Florida Department of Economic Opportunity for the Closing.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THIS 13TH DAY OF DECEMBER, 2022

THE CITY OF MARATHON, FLORIDA

Mayor Luis Gonzalez

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Diane Clavier, City Clerk

(City Seal)

**APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE
CITY OF MARATHON, FLORIDA ONLY:**

Steve Williams, City Attorney

Hurricane Irma – Voluntary Home Buyout Program Purchase Approval Checklist

Contract #: 10094 Subrecipient: City of Marathon

Property Address: 398 116th Street., Marathon FL, 33050

Date: 11/17/2022

Received	Documentation
<input checked="" type="checkbox"/>	Intended purchase and sale contract
<input checked="" type="checkbox"/>	Verification that the following notices were/will be presented to the seller, if not included in the purchase and sale contract: <ul style="list-style-type: none"> • A statement of the Basis for Determination of Just Compensation, • Descriptions and requirements for any incentives available (if applicable), • Notice to the seller that the voluntary transaction is not eligible for URA benefits, • Subrogation agreement/language, • Termination clauses for environmental review and final DEO approval.
<input checked="" type="checkbox"/>	Intended restrictive covenant to be recorded with the deed
<input checked="" type="checkbox"/>	Description of the proposed end-use of the property to meet the open space/recreational/wetlands management requirements
<input checked="" type="checkbox"/>	Documentation to verify National Objective being met: <ul style="list-style-type: none"> • If LMA – description of service area and LMI verification (HUD Census Block data or survey) • If LMHI – description of incentive(s) being offered and documentation to support that proposed property is being acquired from a qualifying LMI household (income verification) <ul style="list-style-type: none"> ○ If LMHI, DOB analysis required
<input checked="" type="checkbox"/>	Appraisal to confirm Fair Market Value, property type, and applicable flood zone
<input checked="" type="checkbox"/>	Statement of occupancy status (owner-occupied, residential rental, or vacant)
<input checked="" type="checkbox"/>	Evidence of clear title (title search report)
<input checked="" type="checkbox"/>	Evidence of property taxes in good standing (local tax assessor’s records/website)
<input checked="" type="checkbox"/>	Evidence of storm tie-back/proof of storm impact/damage
<input checked="" type="checkbox"/>	Authority to Use Grant Funds issued by DEO*
<input checked="" type="checkbox"/>	Tier II Environmental Review Approval Memo issued by DEO for proposed property*

The Environmental Review process and approvals are coordinated with the DEO Environmental Team and can be completed simultaneously with the programmatic review and approval but are required for final approval.

Satisfied	Program Eligibility	Notes – Highlight as applicable
<input checked="" type="checkbox"/>	The subject property has been determined eligible for the program.	
<input checked="" type="checkbox"/>	1) Is a non-commercial property that is one of the following?	
<input checked="" type="checkbox"/>	o Owner-occupied,	Owner is not living in the home
<input type="checkbox"/>	o Residential rental, or	
<input type="checkbox"/>	o Vacant lot.	
<input checked="" type="checkbox"/>	2) Meets one of the following requirements:	
<input checked="" type="checkbox"/>	o Is located within the designated Special Flood Hazard Area (SFHA) or High-Risk Flood Area OR	AE
<input type="checkbox"/>	o Is located outside of the designated areas but satisfies one of the following:	
<input checked="" type="checkbox"/>	▪ The property was substantially damaged from Hurricane Irma (51% or more of the pre-event FMV of the structure is damaged), or	
<input type="checkbox"/>	▪ The property is considered a health/safety risk, or	
<input checked="" type="checkbox"/>	▪ The property is located within a floodway.	
<input type="checkbox"/>	The subject property will meet a National Objective in one of the two ways below:	
<input checked="" type="checkbox"/>	1) Meets the Low/Moderate Income Housing Incentive National Objective:	
<input checked="" type="checkbox"/>	o Property is being purchased from a qualifying LMI household AND	
<input type="checkbox"/>	o A housing incentive is being offered for the purpose of moving outside of the affected floodplain or to a lower-risk area.	
<input checked="" type="checkbox"/>	2) Meets the Low/Moderate Income Area National Objective:	
<input checked="" type="checkbox"/>	o The end use of the property will benefit a LMI service area (>51% LMI) AND	
<input checked="" type="checkbox"/>	o The LMI service area is primarily residential.	
<input checked="" type="checkbox"/>	The subject property has a fee simple title.	
<input checked="" type="checkbox"/>	The subject property has no delinquent property taxes.	
<input checked="" type="checkbox"/>	The proposed purchase offer matches the post-storm appraised value.	\$280,000.00
<input checked="" type="checkbox"/>	Subrecipient provided DOB analysis, if applicable.	

<input checked="" type="checkbox"/>	Confirm that the Subrecipient is prepared to offer URA benefits if the purchase will displace tenants.	
<input checked="" type="checkbox"/>	Confirm that the property owner has not received CDBG-DR funding for the subject property (from the Housing Repair and Replacement Program).	
<input checked="" type="checkbox"/>	Subrecipient has received Authority to Use Grant Funds from DEO.	
<input checked="" type="checkbox"/>	Subrecipient has received approval of Tier II Environmental Review from DEO for subject property. In progress	
<input checked="" type="checkbox"/>	The proposed purchase offer/contract includes the following, at minimum:	
<input checked="" type="checkbox"/>	o Terms and conditions of the offer,	
<input checked="" type="checkbox"/>	o A statement of the Basis for Determination of Just Compensation,	
<input checked="" type="checkbox"/>	o Descriptions and requirements for any incentives available,	
<input checked="" type="checkbox"/>	o Notice to the seller that the voluntary transaction is not eligible for URA benefits,	
<input checked="" type="checkbox"/>	o Subrogation agreement requirements.	

Comments from the Offer Pre-Approval Review:

11/17/2022

All items needed have been satisfied. This property is approved.