DISCUSSION ON COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) VACANT LOT PURCHASE FOR A HOME CONSTRUCTION PROJECT ON THE PROPERTY LOCATED AT APPROXIMATELY 932 EAST 450 SOUTH

JJ Allen, Assistant City Manager, introduced the property being discussed and explained the City helped with the demolition of the previous home on the property. He indicated the City recently purchased the lot using Community Development Block Grant (CDBG) funds for the purpose of uplifting the neighborhood by building a single family home that could be sold to a low to moderate income family. He explained the staff recently released a Request for Proposals (RFP) looking for a qualified agency to oversee the building of the home and identification of a qualified buyer. He stated two companies responded to the RFP: Have A Heart and Habitat for Humanity. He reported staff reviewed the responses and was recommending the award of proposal be given to Have A Heart. He reported with the Council’s approval, staff would negotiate an agreement with Have A Heart and then convey the property to it to oversee the construction of the home. He noted conveyance of the property would require the Council to make a finding of its significance. He stated the City’s threshold to deem a parcel of property as
significant was a value greater than $75,000. He commented the City had purchased the parcel for $55,000 so it could be deemed an insignificant parcel, if approved by the Council.

Mayor Shepherd stated Have A Heart used Nilson Homes as its contractor for the construction. Mike Ostermiller, Have A Heart representative, added Have A Heart had built 24 homes in several municipalities. He explained how Have A Heart partnered with other entities to build homes for low to moderate income families. He described examples of families who would never have realized home ownership without the program. He commented the City’s investment was protected through a protective deed that would forgive the debt after a certain number of years but repay the investment to the City if the home were sold before that timeframe expired. Mr. Allen asked how the buyer was selected. Mr. Ostermiller responded there was a committee that advertised the opportunity, took applications, met with families and determined eligibility.

Councilmember Roper asked how long it would take to get the home built. Jed Nilson, Nilson Homes indicated the first step was for the transfer of the property then there was about a two month preparation period before construction began and construction would take about five months. He expressed his hope that the project would be completed in May 2018. Mr. Ostermiller stated there would be an official ribbon cutting ceremony and opportunity for the City officials to meet the family purchasing the home.

Councilmember Bush asked if the home would meet all the City’s building requirements. Mr. Nilson indicated it would meet all the City’s requirements. Mr. Ostermiller provided samples of floor plans and elevations for the home. Councilmember Bush asked if the sample homes would fit on the 0.40 acre parcel. Mr. Nilson indicated the home would be slightly modified to fit on the lot. Councilmember Bush asked if the City would be waiving building permit fees, connection fees, impact fees to facilitate the construction of the home. Mr. Allen stated a home had been on the property previously so there would be no impact or connection fees, and it was expected that building permit fees would be waived for the project because it would still be considered a City project.

Mr. Nilson asked what types of improvements the City would like to see included with the construction of the home. Adam Lenhard, City Manager, suggested completed landscaping would be an important component and the City would put a high value on at least a two-car garage. Mr. Allen added it was important to address HUD’s visitability standards regarding ADA access. Mr. Nilson explained the Have A Heart homes were built with that issue in mind because the majority of applicants needed that type of accessibility.

Mr. Ostermiller indicated Have A Heart built one home per year and considered the effort a labor of love. He stated the families that are finally able to experience home ownership so appreciate the opportunity and it is a worthwhile program to be a part of. He expressed appreciation to the City for its participation in the program.

**Councilmember Peterson moved to adjourn the work session and reconvene in policy session at 6:53 p.m., seconded by Councilmember Young. All voting AYE.**
APPROVED AND ADOPTED
This 14th day of November, 2017

/s/Mark R. Shepherd, Mayor

ATTEST:

/s/Nancy R. Dean, City Recorder

I hereby certify that the foregoing represents a true, accurate, and complete record of the Clearfield City Council meeting held Tuesday, September 26, 2017.

/s/Nancy R. Dean, City Recorder