Rutland City
City-Owned Properties Committee

MEETING MINUTES – August 3, 2020

Committee Members: David Cooper, Brennan Duffy, Tara Kelly, Rebecca Mattis and Chris Ettori.

Others present: Mary Markowski, City Treasurer

Meeting occurred via conference call due to COVID 19 restrictions.

TK, Chair, called the meeting to order at 12:03 PM

Additions and Deletions to the Agenda – None.

Public Comment – None.

Approval of minutes of May 28, 2020 – RM moved to approve the minutes of May 28, 2020 as presented. CE seconded. Motion was approved.

New Business

<u>68 Pine Street</u>

One application was received. The applicant, Boniface Kadima-Mazela, offered $3,250 for the lot. His Development Plan is to invest $80,000 in building a new single-family home on the property. Mr. Kadima-Mazela has previously purchased 2 other properties through this program. He has been making progress on those properties. He estimates a 5-year completion date for 68 Pine Street if the property is sold to him.

CE expressed concern about development of this property in light of the findings of the Housing Needs Assessment saying no new housing units are needed. Given the location of the lot and the surrounding uses, he felt this may be better to keep as an open lot.

RM asked about the size of the lot. TK responded it is .19 acres and indicated the lot is developable within the City's Zoning regulations. She added that there had been buildings on the property in the past, but a new sewer connection would be needed for a new building. The applicant has researched this and is aware of the need to plan for associated costs.

RM asked about costs/loss to the City to retain ownership. TK indicated the City maintains the lot, primarily by mowing it, but that is the only ongoing cost she is aware of. MM corroborated.

RM stated that the City ought to be supportive of new development. She felt a new, modest home could be an appropriate house to add the City's housing stock. So, she was generally in favor.

DC indicated that perhaps it would have been better to sell this lot to an adjoining owner, but given that there is no current interest from those folks, a single-family owner-occupied unit on this street could be beneficial without running counter to the Housing Needs Study findings.

BD was in favor of selling the property for the intended purpose of building a single-family home on the property over the next 5 years.

TK indicated that she was more interested in selling the lot than continuing to hold it. She is not optimistic that the adjoining owners would come forward with an application at this point. It is not an attractive vacant lot, so in its current state it is taking away from rather than contributing to the neighborhood. Rather than have the City continue to hold it, she is in favor of selling the lot to someone who has a vision for developing it and a willingness to pay the taxes in the interim.

DC asked if the applicant has been maintaining the properties he recently purchased from the City. TK indicated that he has been doing so. His progress is slow, but it is in keeping with what he originally proposed.

RM made a motion to accept the Offer to Purchase from Boniface Kadima-Mazela. BD seconded. RM added that the application is appropriate for the size and location of the lot. It isn't likely to receive a better offer in the future. When the purchase is completed it will put the lot back on the tax rolls with a plan for development that is appropriate for the city.

CE was not in favor of selling an empty lot and taking a loss on it when a new private owner would benefit from that loss. He suggested that it might be better to simply give it to one of the abutters.

Vote was 4-1 in favor of recommending to the BOA that the Offer to Purchase be accepted.

<u>32 and 34 Griswold Ave</u>

One application was received for 34 Griswold. The applicant, Cephas Chigwada, offered $3,000 for the lot. His Development Plan is to invest $100 – 120K to build a new single-family home for his family. The second application received was from Habitat for Humanity. They are proposing to purchase both lots together for $1. This would leave them with flexibility to either develop the lots together or separately, depending upon the family(ies) they identify for the house(s).

BD was disappointed that Habitat applied for these properties versus one of the lots in the Northwest neighborhood, but he supported the idea that Habitat would have a property with which to proceed. He proposed recommending that only #32 be sold to Habitat and #34 be sold to Mr. Chigwada.

DC asked if anyone knew the likelihood that Habitat would be interested in only #32. Tara shared that there may be a question about property lines between #32 and #30 that needs clarification. The deeds tend to only state lot numbers and refer back to the plat. She also pointed to the application where they state that having both lots would give them flexibility to proceed with identifying a family before deciding how to develop. DC felt that giving two lots for only $1 in this neighborhood was not appropriate. DC felt BD's proposal was reasonable and looked forward to hearing thoughts from others.

RM spoke in favor of developing the lots together. However, she also supported the notion that an individual in the community would be encouraged to invest in building their home here. She generally supports the idea presented by BD.

CE noted that the values in this neighborhood for a raw piece of land should be pretty high. He felt that overall the offers did not reflect that value. He advocated for ensuring that a private purchaser of an open lot pay the full back taxes that were owed at the time of the tax sale versus the City taking a lower offer and subsequently a loss on the properties. However, he also supports the work of Habitat for

Humanity and would be willing to sell to them, as a nonprofit, for less. He indicated he would support selling #34 to Mr. Chigwada for the amount owed and one of the lots to Habitat for Humanity for $1 or both lots to Habitat for $1.

BD noted that the City has never received the full amount owed for any of the properties so far. CE noted that by and large that was due to the fact that there was a lot of investment required in the other properties (due to the state of the buildings on them). But, a lot in this neighborhood should be worth more than a minimal offer and the City shouldn't have to take a loss.

MM made the Committee aware that the Stonegate Homeowners Association recently presented the City with an invoice for past due Homeowners Association fees since the point of tax sale. She recalled the amount being $50 per month retroactive back to the point of when the City took possession for a total of approximately $2600 per lot.

TK further explained that the City was unaware of the fees until the invoice arrived. But, now that we've been made aware that there are ongoing dues, it is in the City's best interest to sell the lots sooner than later so we don't continue to accumulate any additional liability. She suggested that the prospective purchasers could be made aware of these past due fees and ask them to be responsible for them during the purchase. She indicated she would support selling them sooner than later and was amenable to BD's idea of splitting the sale between Chigwada and Habitat.

TK also noted that CE was correct about the main reason the City has sold properties as a loss. However, the vacant lots have not been attracting substantial bids either. The only lot sold so far was in the $4K range. There had been interest in these Griswold properties, but the offers didn't materialize.

CE noted that the issue of the invoices really needs to be sorted out prior to making a decision.

DC noted that given the conversation about the Association fees, he should recuse himself from the decision since his firm may be involved with the Association.

After additional discussion, BD made a motion to table the decision about a sale until the City sorts out the issue of the outstanding invoices are better understood. The motion passed 4-0 (DC abstained due to recusal).

<u>41 Baxter St</u>

Two applications were received from the adjacent property owners. Ashley Dobbs is the new owner of 41A Baxter St and Kimberly and Matthew Johnson are the owners of 42 Cleveland Ave.

Ms. Dobbs is offering $5,000 and proposes to use the lot as open space and additional parking for 41A Baxter. The Johnsons are offering $5,000 and propose to use it as an extended back yard and play space for their kids.

RM supports the Johnson's proposal because she'd rather see more open/green space than parking in the neighborhood. But, she is also concerned that the layout of the lots may lend itself better to being merged with the lot on the same street. CE, TK and BD echoed RM's thoughts that having an extended lot for backyard space is preferable to parking. CE noted that when viewing the property, it might be better for the neighborhood feel to have the two adjacent lots on the same street front be merged

versus a passthrough lot from the other block. But, turning the lot over to parking could be a detriment to the neighborhood in terms of aesthetics. TK suggested that in either case, the Committee should consider requiring that the lots be merged so that they can not be immediately resold.

After discussion amongst the Committee members, TK made a motion to ask each of the prospective purchasers to present a more detailed plan for how they will design and use the lot. The motion passed unanimously with the addition that there would need to be a deed restriction or some other mechanism for ensuring the upkeep of the property in line with the plans.

Specifically, they will be asked to present a plan that shows the following:

- Greenspace details and maintenance plan
- Parking space amounts, locations and materials to be used
- Type and location of any proposed fencing

Old Business

None.

Meeting Adjourned at 1:06 PM.