



PLANNING AND DEVELOPMENT

400 LA CROSSE STREET | LA CROSSE, WI 54601 | P: (608) 789-7512 | F: (608) 789-7318

Memorandum

To: Community Development Committee
From: Dawn Reinhart
Date: 11/08/2017
Re: Approval to sell 729 Division St to adjacent property owner

Assessed value before fire: \$72,600

Land Assessed: \$5,600

Lot size: 21x73

In August 2017 the CDC approved the acquisition of 729 Division St (17-1037). After acquisition, it was discovered that the garage of 727 Division St is attached to 729 Division St. Staff is still in the process of identifying who is encroaching upon whom. The Certified Survey Map should be completed on November 15th. Staff has consulted the City's Legal Department and their recommendation is resolve the encroachment. These are the options the Legal Department recommended to resolve the encroachment:

- If 729 Division St is encroaching: this will be resolved during demolition of 729 Division St.
 - I have consulted several demolition contractors and since the two structures are attached it will likely cost \$50,000 or more to demolish the structure. None of the contractors will guarantee that 727 Division St's garage will NOT be damaged during demolition.
- If 727 Division St is encroaching: sell 727 Division St the portion of land that their garage is on or require them to remove it.
 - Selling 727 Division St a portion of the land is not in the best interest of the City. The parcel size already limits the redevelopment of the parcel.
 - Requiring 727 Division St to remove or essentially demolish the garage will require legal assistance and could further delay the demolition.

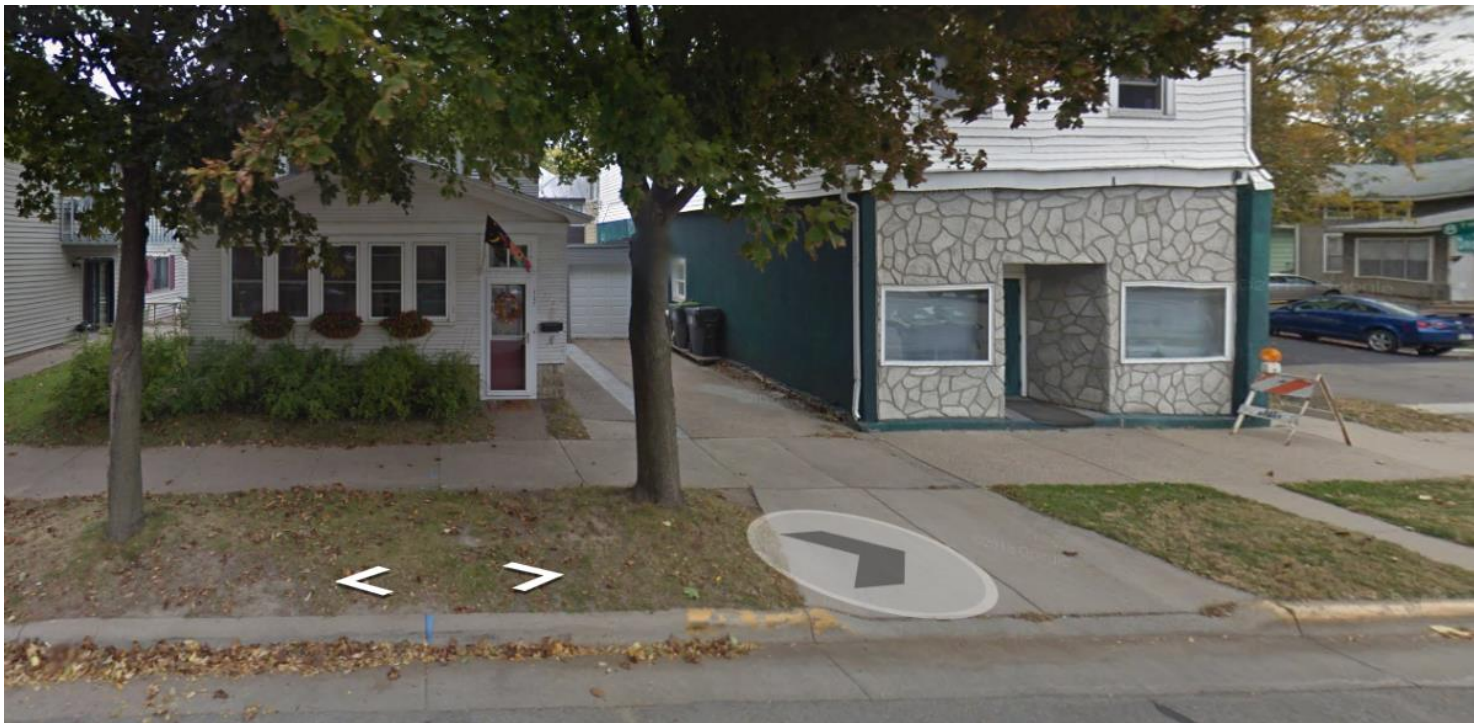
Staff notified the owner of 727 Division St that the City will be demolishing 729 Division St. They are aware that their garage is attached and that a survey of the property to determine the encroachment is underway. The owners expressed interest in purchasing 729 Division St to build a new garage.

Staff Recommendation: Sell 729 Division St to 727 Division St for fair market assessed value \$6,100 with the requirement that a two car garage is built on the parcel. A vacant land agreement will be executed at closing and a good faith deposit of 15% of the purchase price will be collected. The vacant land agreement will require that a permit is obtained within 6 months from the date of closing and the construction of the garage must be completed within 9 months from the date of closing. The City will demolish current garage at 727 Division St as part of the demolition of 729 Division St. This will not add any additional costs to the demolition.

If 727 Division St can't obtain financing for the project, the encroachment will be resolved through demolition of the structures.

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