

# **City of Muskegon**

## **Policy for Sale of City-Owned Residential Property In the Historic Infill Area**

### **Objective**

The City of Muskegon (the City) wishes to expand its residential tax base while simultaneously alleviating itself of the significant cost burden associated with year-round maintenance of vacant lots. The City reserves the right to join and split lots to assist with this process. All property will be sold as is. All sales are subject to City Commission approval.

### **Houston Historic District**

The Houston Historic District is an important part of Nelson Neighborhood and historic homes are a critical component in the character of the community. The City Commission hereby set aside five vacant, City owned lots with approximately 79 feet of frontage each, in the block bound by Muskegon Avenue, Webster Avenue, Fourth and Fifth Streets for the historic in-fill program. Staff shall administer the historic home in-fill program under certain guidelines.

### **Historic Home Relocation:**

The lots will be sold for one thousand dollars (\$1,000) to persons wishing to relocate and rehabilitate a historic home on a lot, provided:

1. The home is not being taken from an existing historic district (unless it must be removed for pending development).
2. The removal of the home from its existing site is not a detriment to the area from which it is being moved.
3. The home will be owner-occupied, single-family residence.
4. The home is sound enough to move and it is feasible to rehabilitate it.
5. The person moving the home provides proof of financial ability and a time schedule for the project.
6. The home must be moved and the exterior work completed within 18 months of closing.
7. The plans and the home must be approved by the Historic District Commission prior to the sale of the property.

Staff is further directed not to charge for city assistance with tree trimming, traffic control or police escorts when assisting with a house move to this target area. Staff shall also provide information on historic tax credit and Neighborhood Enterprise Zone programs.

### **New Historic Home Construction**

The lots will be sold for 75% of the True Cash Value as assigned by the Assessor's Office with the following conditions:

1. The home will be owner-occupied, single-family residence.
2. The home must be constructed within 18 months of closing.
3. The new construction must follow the Historic District Guidelines for new construction.

4. The house plans must receive Historic District Approval prior to purchase.
5. The home must also have the following home design:
  - a. The structure shall have a minimum of 2,200 square feet of usable living space (excluding all basement area).
  - b. The structure must be two-stories.
  - c. The structure must have a full basement.

**Criteria for Historic Home Relocation and New Historic Home Construction:**

1. The home must be positioned on the lot in a manner similar to surrounding homes.
2. At the time the building permit application is submitted, the plot plan and building design will be reviewed to determine compliance with all requirements of the Historic District Commission and this policy.
3. Removal of existing trees shall be approved by zoning staff prior to lot clearing. Trees shall only be taken to accommodate the structure and driveway. A performance guarantee may be required of the owner or contractor for tree protection.
4. At least two (2) shade trees shall be provided on site of at least two and one-half (2.5") inches in diameter, four feet from the ground. Preservation of existing trees may be considered in lieu of this requirement.
5. The lot shall be established with appropriate grass, ground cover or other plantings within one year of occupancy or the city may arrange for such planting and bill the owner.
6. The home shall meet all other requirements of the Zoning Ordinance that are not addressed in this policy.

As a condition of sale, structures built on these properties must be owner occupied for a minimum of 5 years. The buyer must <sup>1</sup>commence construction within 18 months of the date of purchase, or the property will revert back to the City's ownership, free and clear of any claim of the buyer. All structures must conform to all City building and zoning requirements.

**Recording of the Deed**

All property sales must be recorded with the Muskegon County Register of Deeds. This is the sole responsibility of the buyer. All sales will be handled as quit claim deeds.

**Closing Costs**

All closing costs will be split between the buyer and the seller.

**Property Survey**

All costs and activities associated with a survey are the sole responsibility of the buyer.

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<sup>1</sup> "Commence Construction" means that a buyer has been issued a residential building permit by the City of Muskegon and also (in the sole opinion of the City of Muskegon's Building Official) that at least seventy-five percent (75%) of the dwelling has been completed.

**Environmental**

Properties will be sold as is. Any environmental analysis is the sole responsibility of the buyer.

**Financing**

Financing the acquisition of City-owned property and subsequent construction (if applicable) is the sole responsibility of the buyer. Failure to provide proof of adequate financing may be used as a basis for denial of a sale.