



TO: Jonesboro City Council  
FROM: Jonathan Smith, Director, Jonesboro Land Bank Commission  
RE: Redevelopment of 827 Warner  
DATE: August 14, 2019

**Summary:** The Land Bank Commission's goal is to facilitate the redevelopment of blighted areas. This project involves the rehabilitation of 827 Warner, a dilapidated residential unit which was unoccupied. The Commission acquired the house from the owner, then sought a contractor to rehab it to city code. The contractor will then sell the property to a homeowner at a market rate.

**Acquisition:** Including closing costs, the city paid \$10,713 to purchase the property (after approval of the City Council). The Commission is also paying for ongoing maintenance (mowing at \$60 every two or three weeks) until sold.

**Sale:** The Commission is requesting the City Council to approve the sale of the property to Olympus Construction for \$5,500. The original offer submitted in their proposal was \$4,000.00 but after negotiations, an agreement was made at \$5,500. In addition to the purchase price, the city will receive around \$500 in building permit fees once construction starts. After the repairs are completed, we estimate the property will generate around \$588.31 in annual property taxes. Our goal is to have this property rehabbed by the end of 2019.

**Why Olympus Construction?** Early in this process the Land Bank Commission made a decision to only work with high quality developers. Four local firms met our qualifications: Olympus Construction, Jackson Construction, Bailey Contractors, and Tim Thrasher Construction. Olympus Construction was the only firm to submit a proposal for 827 Warner. They also have extensive knowledge of the neighborhood and a close relationship with the West End Neighborhood Association. Olympus has agreed to invest over \$69,000 to rehab this property. A complete list of repairs can be found in the proposal attached to this email.

A complete cost assessment is attached to this email.