

- m. A Resolution authorizing the Mayor to execute a quitclaim deed to Gary Chesney for one parcel of property located at 412 Ocala Drive, Parcel ID No. 058-KB-051, within the limits of the City of Knoxville pursuant to the Homemakers Program for a contract sales price of \$40,250.00.



CITY OF KNOXVILLE, TENNESSEE

City Council

AGENDA INFORMATION SHEET

AGENDA DATE: June 10, 2025

DEPARTMENT: Housing and Neighborhood Development Department

DIRECTOR or DESIGNEE: Kevin DuBose

AGENDA SUMMARY A Resolution authorizing the Mayor to execute a quitclaim deed to Gary Chesney for one parcel of property located at 412 Ocala Drive, Parcel ID No. 058-KB-051, within the limits of the City of Knoxville pursuant to the Homemakers Program for a contract sales price of \$40,250.00.

COUNCIL DISTRICT(S) AFFECTED 4th

BACKGROUND The property was acquired by the City of Knoxville by Warranty Deed dated, October 28, 2024 (Instrument # 202410280023185), from Gregory C. McMahan. It was active on the Homemakers listing since January 3, 2025, as a vacant, blighted structure, built circa 1921 of approximately 1,290 square feet, with a lot size of 50'x99'x50'95'.

The Homemakers Committee approved the application for purchase on March 26, 2025, with a Conditional Sales Agreement executed April 11, 2025. Housing & Neighborhood Development's Infill Committee approved the plan May 1, 2025.

The proposed use for this long-time chronic problem property will remain a single-family home, with a full rehabilitation of the current three bedroom, one and one-half bathroom, blighted and condemned structure. Interior & exterior improvements will include upgrading the one-half bathroom to a full bathroom, new HVAC, electric, plumbing, roof, siding, finishes throughout, etc.

Upon completion, the home will be sold at market rate of approximately \$300,000.00 with the proceeds donated to Homes of Love, which is a local non-profit organization in global ministry, operational for 24 years, serving at-risk children in Southeast Asia and Africa. The organization supports families in Cambodia, Vietnam, and Zimbabwe through three core programs – Family Homes, Kinship Care, and Family Outreach. The approved Homemaker, Gary Chesney-DDS, President of the Executive Board for Homes of Love with his wife, Debbie Chesney, serving as Executive Director.

ESTIMATED PROJECT SCHEDULE Transfer of property will take place upon preparation of appropriate conveyance documents by the City of Knoxville's Law Department. The Homemaker shall commence rehabilitation within 180 days of transfer of property and complete the project within a maximum of one year after delivery of the deed.

PRIOR ACTION/REVIEW R-121-2024, approved April 16, 2024, authorizing acquisition, by condemnation, if necessary, of 412 Ocala Drive (Parcel ID No. 058-KB-051), as recommended

by the Abandoned, Blighted and Vacant Properties Committee.

FISCAL INFORMATION Contract sales price is \$40,250,00.

RESOLUTION

A RESOLUTION OF THE COUNCIL OF THE CITY OF KNOXVILLE AUTHORIZING THE MAYOR TO EXECUTE A QUITCLAIM DEED TO GARY CHESNEY FOR ONE PARCEL OF PROPERTY LOCATED AT 412 OCALA DRIVE, PARCEL ID NO. 058-KB-051, WITHIN THE LIMITS OF THE CITY OF KNOXVILLE, PURSUANT TO THE HOMEMAKERS PROGRAM FOR A CONTRACT SALES PRICE OF \$40,250.00.

RESOLUTION NO: _____
Housing & Neighborhood
REQUESTED BY: Development Department
PREPARED BY: Law

APPROVED: _____

APPROVED AS AN EMERGENCY
MEASURE: _____

MINUTE BOOK: _____ PAGE _____

WHEREAS, by Ordinance No. O-207-95, the City of Knoxville has established a process called the Homemakers Program to dispose of properties acquired through the Blighted Property Ordinance and other properties acquired by or under control of the Department of Housing and Neighborhood Development in order to meet the City's housing and community development objectives; and

WHEREAS, the City of Knoxville owns property located at 412 Ocala Drive, Parcel ID No. 058-KB-051 ("Property"), more specifically described in the deed whereby the City of Knoxville acquired the Property, which is recorded as Instrument No. 202410280023185 in

the Knox County Register's Office, to which deed specific reference is made for a more particular description of the Property; and

WHEREAS, the Homemaker's Committee selected Gary Chesney ("Homemaker") to purchase the Property and the Homemaker has agreed to purchase the Property, under the conditions set forth in the Homemakers Program Conditional Sales Agreement for a contract sales price of \$40,250.00.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KNOXVILLE:

SECTION 1: The Mayor of the City of Knoxville is hereby authorized to execute a quitclaim deed to Gary Chesney in consideration of \$40,250.00 and in compliance with the requirements of the Homemakers Program for one parcel of property located at 412 Ocala Drive, Parcel ID No. 058-KB-051.

SECTION 2: This Resolution shall take effect from and after its passage, the welfare of the City requiring it.

Presiding Officer of the Council

Recorder

This instrument prepared by:
J. Anderson Gass, Attorney
City of Knoxville
400 Main Street, Suite 699
Knoxville, TN 37902

Document No. 25-D-014
PARCEL ID NO: 058-KB-051

QUITCLAIM DEED

THIS INDENTURE is made this ____ day of _____, 2025, between the **CITY OF KNOXVILLE**, a municipal corporation organized and existing under the laws of the State of Tennessee (“Grantor”), and **GARY CHESNEY**, 3201 Lowes Landing, Louisville, Tennessee 37777 (“Grantee”).

WITNESSETH:

FOR AND IN CONSIDERATION OF the sum of \$40,250.00 in hand paid, and other good and valuable consideration, the receipt of which is hereby acknowledged, the City, subject to the right of reversion hereinafter described, has quitclaimed and conveyed unto Grantee the following described premises:

SITUATED in the Seventh (7th) Civil District of Knox County, Tennessee, and within the 36th Ward of the City of Knoxville, Tennessee, and being all of Lot 2, Block 18 of the Fountain City Land Company’s Addition as shown by map of record in Map Book 5, page 182, and Map Book 9, page 73, in the Knox County Register’s Office, to which map specific reference is hereby made for a more particular description.

BEING the same property conveyed to the City of Knoxville from Gregory C. McMahan, by Warranty Deed, dated October 28, 2024, and of record as Instrument No. 202410280023185 in the Register’s Office for Knox County, Tennessee.

Being known as 412 Ocala Drive, Knoxville, Tennessee.

This conveyance is subject to compliance by Grantee with the obligations contained in the Homemakers Program Conditional Sales Agreement executed by Grantee on April 11, 2025, which is attached as Exhibit A (“Homemaker Agreement”), all obligations of which are incorporated into this deed as fully as if set out herein verbatim. By accepting this deed, Grantee, and Grantee’s heirs and assigns, agree to be bound by and fully perform such obligations, which shall be in full force and effect from the date of this deed until Grantee completes all of the activities described in the Homemaker Agreement, at which time Grantee shall request a Release and Certificate of Completion from the City, which shall release the right of reversion and which shall be duly recorded in the Knox County Register of Deeds Office.

The property shall be forfeited and shall revert to the City if Grantee fails to comply with the terms and conditions of the Homemaker Agreement OR if Grantee violates any applicable provision of Title IV, Chapter 21, Part 6 of Tennessee Code Annotated relating to discrimination in housing and financing.

If Grantee fails to comply with any of the above-stated conditions, the property reverts to the City along with the earnest money payment of \$4,025.00. The reverter of title reserved by the City shall be subject to, and shall not impair, the lien of any trust deed securing the financing for the rehabilitation of the property in existence at the time of the breach resulting in the reversion.

IN WITNESS WHEREOF, the City has executed this deed on the day and year first above written.

APPROVED AS TO FORM:

CITY OF KNOXVILLE

CHARLES W. SWANSON
LAW DIRECTOR

BY: _____
INDYA KINCANNON
MAYOR

STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the County and State aforesaid, personally appeared **Indya Kincannon**, with whom I am personally acquainted and who, upon oath, acknowledged herself to be the Mayor of the City of Knoxville, a municipal corporation, and being so authorized executed the foregoing instrument for the purposes contained therein.

WITNESS my hand and official seal this ____ day of _____, 2025.

My Commission Expires: _____

NOTARY PUBLIC

STATE OF TENNESSEE)
COUNTY OF KNOX)

Responsible taxpayer/owner(s): Gary Chesney
3201 Lowes Landing
Louisville, Tennessee 37777

I, **Gary Chesney**, hereby swear or affirm that the actual consideration or true value of this transfer, whichever is greater, is \$40,250.00.

Affiant: _____

SUBSCRIBED to and sworn to before me this ____ day of _____, 2025.

My Commission Expires: _____

Notary Public

ANDERSON GASS

Attorney
City of Knoxville

Document No. C-25-0133

**HOMEMAKERS PROGRAM
CONDITIONAL SALES AGREEMENT**

THIS CONDITIONAL SALES AGREEMENT ("CSA") is made by and between the **Department of Housing and Neighborhood Development**, a department of the City of Knoxville, a municipal corporation organized and existing under the laws of the State of Tennessee, 400 Main Street, Suite 532, Knoxville, TN 37902 ("**Department**"), and **Gary Chesney**, an individual whose address is 3201 Lowes Landing, Louisville, TN 37777 ("**Homemaker**").

WITNESSETH:

WHEREAS, by Ordinance No. O-207-95, the City of Knoxville ("City") established a process called the Homemakers Program to dispose of properties acquired through the Blighted Property Ordinance (codified as amended at Knoxville City Code § 6-150) and other properties acquired by or under control of the Department in order to meet the City's housing and community development objectives; and

WHEREAS, the City owns certain property located at 412 Ocala Drive, Parcel ID No. 058-KB-051 ("Property"), which is more specifically described in the Warranty Deed whereby the City acquired the Property, which is recorded as Instrument No. 202410280023185 in the Knox County Register's Office, to which Instrument specific reference is made for a more particular description of the Property; and

WHEREAS, the Homemaker has been selected by the Homemakers Program Committee to purchase the Property, and the Homemaker has agreed to purchase the Property, under the conditions set forth in this CSA; and

WHEREAS, said contemplated conveyance shall be made only under the prescribed conditions of this CSA.

NOW, THEREFORE, the Department and the Homemaker, for the mutual considerations stated herein, agree as follows:

1. The total purchase price for the fee simple title to the Property is \$40,250.00. The Homemaker will deposit \$4,025.00 as earnest money. The City will hold said deposit in escrow until transfer of title. The Homemaker is responsible for any financing arrangements that must be made to pay any balance due.

2. Final authorization for the transfer of title is subject to the approval of the Knoxville City Council. By executing this CSA, the Department agrees to recommend to City Council that it authorize the Mayor execute a Deed conveying the Property to the Homemaker in consideration of \$40,250.00 and compliance with all provisions of this CSA.

3. The Homemaker agrees to assume full responsibility for payment of all taxes on the Property as of the date of delivery of the Deed, paying all property taxes when due and never allowing them to become delinquent.

4. The Homemaker agrees to assume full responsibility for obtaining and maintaining adequate hazard and/or builders' risk insurance as of the date of delivery of the Deed and will provide certificates, endorsements, and policies evidencing such insurance upon the City's request.

5. The Homemaker agrees to accept title upon delivery of the Deed by the City.

6. The Homemaker agrees to use the Property as proposed in the Homemakers Program application submitted to and approved by the Department and amended and restated below:

Full rehabilitation of a three bedroom, one and one-half bathroom, single-family blighted and condemned structure to include upgrading the one-half bathroom to a full bathroom, new HVAC, electric, plumbing, roof, siding, finishes throughout, etc.

Upon completion the home will be sold at market rate of approximately \$300,000.00 with the proceeds donated to Homes of Love which is a non-profit organization serving at-risk children in Southeast Asia and Africa

When used in this CSA: the term "ADA Accessible" means designed and constructed in such manner that the Property or part of the Property is readily accessible to and usable by individuals with disabilities in compliance with the provisions of the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 *et seq.* ("ADA"); the term "ADA VISIBLE" means construction compliant with the provisions of the ADA that includes interior doorways that provide a minimum 32-inch-wide unobstructed opening, an accessible means of egress, and a full or half bathroom on the ground floor; the terms "Area Median Income" and "Fair Market Rent" mean the median family income and the fair market rent, respectively, for the Knoxville, Tennessee, metropolitan area as published annually by the United States Department of Housing and Urban Development; and the term "energy efficient" means compliant with minimum design requirements that promote efficient utilization of energy in buildings as set forth in the Residential Building Code of the City of Knoxville.

7. The Homemaker agrees to complete the rehabilitation and/or construction on the Property within one (1) year of the date of delivery of the Deed. The Homemaker will begin the work necessary to rehabilitate the structure and/or construct a structure on the Property within 180 days of the transfer of the Property to the Homemaker. All work shall comply with infill housing design guidelines and all applicable City codes, inspection and permitting rules, rehabilitation standards, and approved plans and specifications.

8. The Homemaker agrees to submit all necessary plans within 90 days of the date of this CSA for the rehabilitation and/or construction of a structure on the Property. This CSA is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 90 days of the date of this CSA.

9. The Homemaker agrees to obtain a written commitment from any and all funding sources for all necessary financing for the purchase, rehabilitation and/or construction required by this CSA within 120 days of the date of this CSA. The Homemaker will provide, or cause to be provided, to the City supportive documents from the funding source(s) fully disclosing the financing terms. This CSA is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 120 days of the date of this CSA.

10. During the period beginning upon delivery of the Deed and continuing to the date the City issues a notice of completion of the rehabilitation and/or construction, the Homemaker agrees to secure and maintain the Property.

11. The Homemaker agrees that if the Property is a contributing property within a potential Historic District, a National Register District, a Redevelopment Area, or an H-1 Historical Zoning Overlay, then all rehabilitation work, new construction, or other alterations shall conform to the specific area requirements.

12. Time is of the essence with respect to all matters to be performed pursuant to this CSA.

13. The Homemaker will permit inspections at reasonable times by the Department's staff and designated agents to determine compliance with the terms of this CSA.

14. The Homemaker agrees to provide to the City the following information about the family or individual that initially occupies the structure located on the property: income, family size, race, sex of head of household, and elderly and handicap status. The Homemaker will submit the information on the form provided to the Homemaker for such purpose by the Department.

15. The Homemaker agrees to comply with all applicable federal requirements related to the construction, sale, rental, and financing of the housing units constructed and/or rehabilitated on the Property, including, but not limited to, lead-based paint hazard elimination regulations, the Civil Rights Act of 1964, and the Fair Housing Act, and related regulations.

16. The Homemaker agrees to maintain the Property in accordance with all applicable City codes, ordinances, rules, and regulations related to the maintenance of property standards and shall not allow the Property to fall into disrepair or blight.

17. Notices shall be given between the parties in writing, and shall be delivered to the addresses of the parties as set forth herein. All notices shall be either personally delivered or mailed through the U.S. Postal Service, postage prepaid, in a sealed envelope, certified mail, return receipt requested. Notices shall be deemed given when personally delivered or the day following deposit in the U.S. Postal Service as aforesaid.

18. Transfer of title shall take place within 150 days of the date of this CSA. This CSA is subject to cancellation by the Department if transfer of title does not take place within 150 days of the date of this CSA.

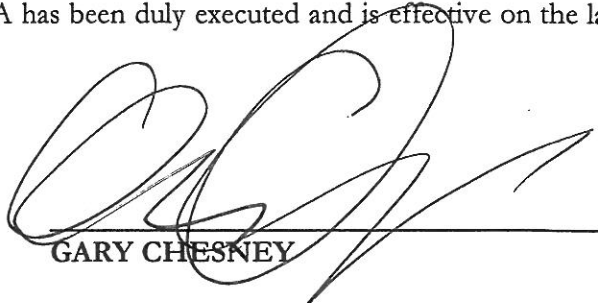
19. If the circumstances surrounding or the facts underlying the decision of the Department to enter into this CSA have materially changed between the date of this CSA and closing, and said changes are outside the control of the parties and could not have been avoided by the exercise of due care, then the Department, in its sole discretion, reserves the right to cancel this CSA and return the earnest money deposit to the Homemaker.

20. If it becomes necessary to enforce this CSA through an attorney, or by institution of litigation or other proceedings, the prevailing party, in addition to all other damages or remedies that may be awarded, shall be entitled to receive all costs, out-of-pocket expenditures, and reasonable attorneys' fees.

21. It is expressly understood and agreed that this CSA contains the entire agreement between the Department and the Homemaker and that there are no oral or collateral conditions, agreements, or representations, all such having been incorporated and resolved into this CSA. All conditions of this CSA shall be satisfied at or before closing.

IN WITNESS WHEREOF, this CSA has been duly executed and is effective on the later of the dates set forth below.

4/11/2025
Date



GARY CHESNEY

DEPARTMENT OF HOUSING AND
NEIGHBORHOOD DEVELOPMENT

4/11/2025
Date

BY: 

KEVIN DUBOSE
DIRECTOR

STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the County and State aforesaid, personally appeared **Gary Chesney**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged that the foregoing instrument was executed for the purposes contained therein.

WITNESS my hand and seal at office in Knox County, Tennessee, this 11th day of April, 2025.

My Commission Expires: 6/1/2025

Kathy D. Ellis
Notary Public



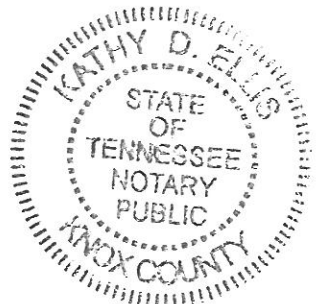
STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the County and State aforesaid, personally appeared **Kevin DuBose**, with whom I am personally acquainted and who, upon oath, acknowledged himself to be the Director of Housing and Neighborhood Development of the City of Knoxville, a municipal corporation, and, being so authorized, executed the foregoing instrument for the purposes contained therein.

WITNESS my hand and seal at office in Knox County, Tennessee, this 11th day of April, 2025.

My Commission Expires: 6/1/2025

Kathy D. Ellis
Notary Public



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This Instrument Prepared By:
J. Anderson Gass, Attorney
City of Knoxville Law Department
400 Main Street, Suite 699
Knoxville, Tennessee 37902

RE: DOCUMENT NO. 25-D-014
PARCEL ID NO. 058-KB-051

ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made and entered into on this ____ day of _____, 2025 between **CITY OF KNOXVILLE**, a municipal corporation organized and existing pursuant to the laws of the State of Tennessee ("City"), and **GARY CHESNEY**, 3201 Lowes Landing, Louisville, Tennessee 37777 ("Homemaker").

RECITALS

- A. Homemaker has this date entered into an agreement with City under the Homemakers Program.
- B. Under the Homemakers Program, the City, by quitclaim deed, and subject to certain reversionary clauses, has conveyed to Homemaker a certain tract of land located at **412 Ocala Drive, Knoxville, Tennessee, Parcel ID No. 058-KB-051** ("Property") in Knoxville, Knox County, State of Tennessee.
- C. Homemaker has executed, among other documents, a Homemakers Program Conditional Sales Agreement dated April 11, 2025 ("Homemaker Agreement"), requiring Homemaker to perform or refrain from performing certain acts, the breach of which could result in a default under the Homemaker Agreement and cause the Property to revert back to the City.
- D. To avoid unnecessary time, expense, and litigation in recovering the Property in the event of breach and reversion, the parties have agreed that Homemaker shall execute a quitclaim deed back to the City.
- E. The parties have also agreed that the quitclaim deed to the City shall be delivered and become operative only if Homemaker breaches the obligations under the Homemaker Agreement.

TERMS

For and in consideration of the Property, the City and the Homemaker, agree as follows:

- 1. A quitclaim deed from Gary Chesney, to the City bearing a notary acknowledgment dated _____ is delivered in escrow to the City;
- 2. This quitclaim deed shall remain in escrow until either (a) breach of the Homemaker Agreement by Homemaker, or (b) until completion of all obligations described in the Agreement;

3. If Homemaker breaches any of the provisions of the Homemaker Agreement, the City may, at its option and at any time, deem the quitclaim deed to be delivered and cause said instrument to be presented to the Register of Deeds of Knox County, Tennessee, for recording;

4. If Homemaker fully performs all terms and conditions of the Homemaker Agreement, then this quitclaim deed shall be delivered back to Homemaker and said quitclaim deed shall be of no further effect;

5. This Escrow Agreement shall terminate upon delivery of the quitclaim deed for either of the above-mentioned events; and

6. This Escrow Agreement may be modified or amended only by written agreement of both parties.

IN WITNESS WHEREOF, the parties have caused this Escrow Agreement to be executed as of the day and year first above written.

APPROVED AS TO FORM:

CITY OF KNOXVILLE

CHARLES W. SWANSON
LAW DIRECTOR

BY: _____
INDYA KINCANNON, MAYOR

GARY CHESNEY

STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the County and State aforesaid, personally appeared **Indya Kincannon**, with whom I am personally acquainted and who, upon oath, acknowledged herself to be the **Mayor of the City of Knoxville**, a municipal corporation, and being so authorized executed the foregoing instrument for the purposes contained therein.

WITNESS my hand and official seal this ____ day of _____, 2025.

My Commission Expires: _____

NOTARY PUBLIC

STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the County and State aforesaid, personally appeared **Gary Chesney**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand and official seal this ____ day of _____, 2025.

My Commission Expires: _____

NOTARY PUBLIC

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412 Ocala Drive

058-KB-051

50' x 99M x irr

0 25 50 100



Feet

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