

RESOLUTION NO. 16-028

A RESOLUTION ESTABLISHING NEW PROCEDURES FOR THE SALE OF CERTAIN CLASSES OF CITY-OWNED REAL PROPERTY AND REPEALING RESOLUTION NO. 98-013

WHEREAS, ORS 221.727 provides the City may adopt a procedure for the sale of individual parcels of a class of City-owned real properties, or any interest therein, under a single program established within the City for the sale of that class of properties; and

WHEREAS, on March 9, 1998, the City Council adopted Resolution No. 98-013 establishing procedures for the sale of certain classes of City-owned real property; and

WHEREAS, a review of Resolution No. 98-013 indicates that some of its provisions are obsolete or have the potential to create some confusion or inefficiencies, and the Council desires to adopt a new resolution to address these issues;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS FOLLOWS:

Section 1. The following procedures shall be adopted for the sale of individual parcels of the following categories of real property.

Vacant Undevelopable Lots

The City owns certain vacant lots which are generally small and irregularly shaped. Typically these lots are adjacent to larger developed lots. These lots are not of sufficient size to be developed, and have minimal market value. The procedure for disposition of these parcels is as follows:

- A. The City Council will schedule a public hearing to take public testimony as to whether there is any public use for the property, or whether transfer of the property would benefit the public interest. Notice shall be given of the agenda item not less than ten (10) days before the Council meeting to all owners whose property is adjacent to the vacant lot. If either of these criteria is satisfied, the City Council will adopt a resolution declaring the property to be surplus.
- B. Notice of the proposed sale of the property shall be published once in a newspaper of general circulation in the City. The notice shall provide that persons interested in negotiating a purchase of the property must notify the City Manager's office by 5:00 PM on the fourteenth day from the date of publication. The City Manager shall proceed to negotiate with persons who have expressed an interest in purchasing the property. Potential purchasers shall be advised that they will be responsible for obtaining estimated costs for any necessary survey, preparation of preliminary title reports and title insurance costs, and for payment of required recording or mapping fees. Within sixty (60) days of the date of publication of the notice of the proposed sale, the interested purchaser who is the first purchaser to obtain confirmation

from the City Manager that terms for a purchase agreement have been negotiated, will be entitled to have the City Manager present the negotiated agreement for approval by the City Council at a regularly scheduled Council meeting. Following the Council's approval of the negotiated agreement, the City Attorney will proceed with preparation of documents to complete the purchase agreement.

Vacant Developable Lots and Developed Lots

- A. The City Council will schedule a public hearing and shall describe the proposed property for sale. Notice shall also be given to property owners within three hundred (300) feet of the subject property.
- B. Public testimony shall be solicited at the hearing to determine if there is any public use for the property, or if a transfer of the property is in the public interest.
- C. After the hearing, the Council shall decide if it will offer the property for sale, and what the minimum acceptable terms shall be. The minimum acceptable terms shall include the following:
 - 1. The minimum bid acceptable to the City reflective of a market value for the property established by the City, either by a formal appraisal or a market analysis conducted with assistance from local real estate agents; and reflective of the City's estimate of the amount intended to compensate the City for any nuisance abatement costs, lien foreclosure costs, costs associated with closing the purchase, including the costs of a preliminary title report and title insurance.
 - 2. Submission of documentation of pre-qualification for any proposed financing for the purchase including pulling of credit reports and processing by automated underwriting.
- D. If an offer to sell is authorized by the Council, a notice soliciting sealed bids shall be published at least once in a newspaper of general circulation in the City at least two (2) weeks prior to the bid deadline date. The notice shall describe the property to be sold, the minimum acceptable terms of sale, the person designated to receive bids, the last date bids will be received, and the date, time, and place that bids will be opened.
- E. In the event bids are received which exceed the amount included in the City's minimum acceptable bid, the highest bid shall be accepted, and the City Manager, or his/her designee, shall complete the sale. In the event two or more bids are received which are equivalent to the amount included in the City's minimum acceptable bid, the bidders shall have a period of seven (7) business days from receipt of the notice to submit a revised bid. The highest revised bid which is submitted shall be accepted, and the City Attorney shall proceed to prepare documents to complete the sale.
- F. In the event no acceptable bids are received, the City Council reserves the right to reject all bids, and the Council may alter or keep the same minimum terms established under Section C and list the property for six (6) months with a local real estate broker/agent on a multiple listing basis. A broker/agent shall be selected in accordance with the criteria found in Section G. A listing may be renewed for additional six (6) month periods at the Council's discretion.

G. The selection of a real estate broker/agent shall be in accordance with the following procedures:

1. The City shall publish notice in a newspaper of general circulation in The Dalles inviting proposals for the services to be provided in connection with the listing of the property. The notice shall be published at least two (2) weeks prior to the date on which proposals are due. Copies of the notice inviting proposals shall be mailed to local real estate brokers/agents within the City of The Dalles.

2. The broker's/agent's proposal shall be in writing and it shall address the selection criteria set forth in subsection 3 of this section.

3. The City Manager, or his/her designee, shall consider the following factors in the selection of a broker/agent:

a. The broker's/agent's record in selling the type of real property being offered by the City for sale and the broker or agent's familiarity with The Dalles area market values;

b. The broker's/agent's proposed marketing plan and timelines: signs, advertising, direct mail, and/or other methods;

c. The amount of the broker's/agent's commission; and

d. Other factors which were stated in the notice of the invitation to submit a proposal.

Section 2. Resolution No. 98-013 is hereby repealed.

PASSED AND ADOPTED THIS 24TH DAY OF OCTOBER, 2016.

Voting Yes, Councilor: _____

Voting No, Councilor: _____

Absent, Councilor: _____

Abstaining, Councilor: _____

AND APPROVED BY THE MAYOR THIS 24TH DAY OF OCTOBER, 2016.

Stephen E. Lawrence, Mayor

Attest:

Izetta Grossman, City Clerk