

# TIGARD MUNICIPAL CODE

## **Chapter 3.44 SALE OF SURPLUS REAL PROPERTY**

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### **3.44.005 Qualification—Classification**

Real property qualifying for the procedure established in this chapter is classified as follows:

A. **Substandard Undeveloped Property.** Parcels with no structures thereon which are not of minimum buildable size for the zone in which located, and parcels that do not meet the city's existing development code.

B. **Standard Undeveloped Property.** Parcels with no structures thereon which are of minimum or greater buildable size for the zone in which located.

C. **Developed Property.** Parcels of any size with structures thereon.

D. **Special-Case Property.** Parcels that, notwithstanding subsections A, B and C of this section, were acquired by the city for capital improvement as defined by this code and were purchased subject to an agreement for the manner in which any surplus would be disposed. (Ord. 03-05; Ord. 87-48 §1)

### **3.44.010 Disposal of Substandard Undeveloped Property**

A. Whenever a particular parcel or parcels is

proposed for sale by the city, or purchase inquiry is made, and the property is classified as substandard undeveloped property, the matter shall be set on the regular council agenda, but no public hearing is required. Except as otherwise provided in this section, notice of the agenda item shall be given to all property owners within 250 feet of the parcel and to any parties who have inquired about the purchase. If the city has issued a request for proposal seeking purchasers of the property and provided the request for proposal to property owners within 250 feet and to those who have inquired about purchasing the property, notice need only be provided to those who have submitted a proposal. After discussion of the agenda item, the council shall determine whether it will offer the property for sale.

B. If the city council decides to sell the property, it will direct the city manager or designee to take further action to sell the property. The city council may authorize the city manager or designee to publicize as appropriate, determine the existence of interested prospective purchasers, and negotiate for the sale of the property. Nothing in this section shall preclude the city manager or designee from talking preliminary actions, including publicizing a possible sale, determining the existence of interested prospective purchasers, and issuing a request for proposals prior to the city council's decision, so long as the city does not enter into a binding agreement without city council authorization.

C. The city council shall have the final authority to approve or disapprove the final terms of the sale. The city council may pre-approve terms and the agreement form at the meeting at which it determines to sell the property. If the city council does not pre-approve terms and the agreement form at its initial meeting or if alternate terms or agreement form are proposed, the city council shall at a later regularly scheduled council meeting consider approval of the terms and agreement form. (Ord. 01-09; Ord. 94-06; Ord. 87-48 §2)

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## **3.44.015 Disposal of Standard Undeveloped Property and Developed Property**

A. Except as provided in Section 3.44.030 of this chapter, whenever a particular parcel or parcels is proposed for sale by the city or a purchase inquiry is made and the property is classified as standard undeveloped property or developed property, the matter shall be set for a hearing before the council.

B. Notice of said hearing shall be published once in a newspaper of general circulation in the city at least five days prior to the hearing and shall describe the property proposed for sale.

C. Prior to the sale of a parcel under this section, an appraisal of the property shall be conducted. At the discretion of the council, such an appraisal may be ordered prior to or after the hearing. The appraisal may be made available to the public at the hearing at the discretion of the council.

D. Public testimony shall be solicited at the hearing to determine if a sale of any parcel is in the public interest.

E. After the hearing, the council shall determine whether it will offer the property for sale and what the minimum acceptable terms shall be.

F. 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 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.

G. If one or more bids are received at or above the minimum acceptable terms, the highest bid shall be accepted and the city manager or designee shall complete the sale.

H. If no acceptable bids are received on a particular parcel: (1) the council may alter or keep the same minimum terms as established under subsection E of this section and direct staff to hold another sale; or (2) the council may alter or keep the same minimum terms established under subsection E of this section and list the property for six months with a local real estate broker on a multiple listing basis. Brokers shall be selected in accordance with the criteria found at Section 3.44.025 of this chapter. A listing may be renewed for an additional one six-month period.

I. After expiration of the period set out in subsection H of this section, the property shall be removed from the market. Any decision to sell a piece of property once it has been removed from the market shall require that the entire procedure set forth in this chapter be repeated. The council may, however, decide whether or not an additional appraisal is necessary. (Ord. 14-13 §1; Ord. 03-08; Ord. 94-06; Ord. 87-48 §3)

## **3.44.025 Broker Selection**

Notwithstanding any administrative rule to the contrary, the selection of a real estate broker shall be in accordance with the following procedures:

A. The city shall publish notice in a newspaper of general circulation in the City of Tigard inviting proposals for the sale of the real property. The notice shall be published at least one week prior to the date on which proposals are due.

B. The broker's proposal shall be in writing and it shall address the selection criteria set forth in subsection C of this section.

C. The city manager or designee shall consider the following factors in the selection of a broker:

1. The broker's record in selling the type of real property being offered by the city for sale and

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the broker's familiarity with Tigard-area market values;

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

3. The amount of the broker's commission; and

4. Other factors which were stated in the notice of the invitation to submit a proposal. (Ord. 03-08; Ord. 94-06; Ord. 85-09 §3)

## **3.44.030 Transfer of Property to Urban Renewal Agency**

A. The council may authorize transfer of real property to an urban renewal agency established by the council pursuant to ORS Chapter 457 on such terms and conditions as the council deems appropriate provided that the council finds that:

1. Transfer to the urban renewal agency for redevelopment or other purpose is consistent with, and will further the goals and objectives of, the adopted urban renewal plan for the agency;

2. The property is not needed for public use by the city or the public interest would be furthered by such transfer; and

3. Transfer of the property is otherwise permitted by law.

B. Transfer may be with or without compensation unless the property was acquired with funds that legally must be reimbursed or as otherwise restricted by law.

C. A proposed transfer under this section shall be placed on regular council agenda. (Ord. 14-13 §2) ■