

CITY OF MARQUETTE, MICHIGAN

CITY COMMISSION POLICY

Policy Number: 1977-01	Revision Date: January 30, 1978 December 13, 1999
Date Adopted: December 12, 1977	
Department: Administrative	

SUBJECT: REAL ESTATE SALES POLICY

SECTION 12.1 of the Charter states (in part):

“In all sales . . . in excess of three thousand dollars”

“(b) sealed bids shall be obtained unless the Commission by unanimous resolution of those present at the meeting, based upon the written recommendations of the City Manager, determines that no advantage to the City would result from competitive bidding.”

PURPOSE: This policy is intended as a guide for complying with the above City Charter requirement that the sale of real estate be by bid. It establishes the following procedures:

- a) for the sale of real estate by bid,
- b) for determining which real estate should not be sold by bid,
- c) for the sale of real estate other than by bid, and
- d) for the exchange of real estate.

POLICY:

I. Land proposed for sale by the City should be referred to the Planning Commission for review.

In its review the Planning Commission will consider:

- A. If the land is surplus because there is no identifiable need for this land in the future either as indicated by the Master Plan, the City’s Strategic Plan, or by any other work done by the Planning Commission, or as identified by other City departments.
 1. If the land is not surplus the City Commission will be so notified.
- B. If the land is surplus the Planning Commission will determine:
 1. what uses the Master Plan calls for in that area,
 2. if guiding the use of this property in any way would advance an identified City goal,
 3. if the sale be restricted to any specific use or kind of development,
 4. the relative benefit to the City from receiving the highest price for the property or from advancing City goals.

- C. If the land is being considered for sale in response to a request from a specific party, the Planning Commission will determine:
1. If there is over-riding benefit to the City from selling to the requesting party due to special circumstances such as:
 - a. the requesting person is a contiguous property owner and can make best use of the property due to its unique characteristics (such as size, shape, location, or terrain),
 - b. the requesting party is in a position to provide the best benefit to the City in terms of price or advancing a City goal.
 2. If the Planning Commission determines it is in the City's best interest to sell to the requesting party, a recommendation to that effect will be sent to the City Commission. The reasons for the Planning Commission's recommendation will be set forth in a letter or report. The Planning Commission will also recommend if an appraisal of the property should be obtained.
 3. If the City Commission concurs it will direct the City Manager to negotiate a sales agreement, and will indicate the parameters of the negotiation. Final approval of the sale must be by unanimous vote of Commissioners present, pursuant to section 12.1 b.

D. If the land is to be sold on the open market:

1. The Planning Commission will determine if the property should be restricted to any specific use or kind of development, and the relative benefit to the City from receiving the highest price for the property as opposed to advancing City goals. The Planning commission will also determine if an appraisal of the property should be obtained.
2. If the determination is to sell for the highest price that recommendation will be sent to the City Commission.
3. If the determination is that there are other benefits than highest price:
 - a. The Planning Commission will have a request for proposals prepared and, after review, recommend it to the City Commission. The recommendation will include the Planning Commission's proposed standards for evaluating the proposals, and a provision that the City may reject all proposals.
4. The City Manager will also make a recommendation and, if it is the Manager's recommendation that no advantage to the City would result from no competitive bidding, the City Commission may, by unanimous vote of members present, concur and authorize the taking of proposals.
5. When proposals are received they will be evaluated by the Planning Commission according to the pre-established standards, and a recommendation will be sent to the City Commission.
6. If the City Commission concurs, the land may be sold by a vote of five Commissioners.

II. For land that is to be bid for sale at the highest price, the administration will arrange for:

- A. Appraisal by two qualified independent appraisers;
- B. A "For Sale" sign placed prominently on the property;
- C. Sale by bid with public notice, including advertisements in a local newspaper with appraised value as minimum acceptable bid; and
- D. A reservation of the right to reject any and all bids.

III. For land which is proposed to be exchanged for another parcel of land, the Planning Commission will review the benefit to the City by analyzing each of the properties in the manner set forth in Sections I. A, B, and C above.