



MEMORANDUM

REGULAR CITY COUNCIL MEETING

February 5, 2024, at 7:00 PM

TO: City Council

FROM: Lisa Nocerini, City Manager

SUBJECT: Ordinance to sell 6825 W Wiley Road – Ordinance 01-2024 – Public Hearing & Second Reading

The Douglas City Council has directed the City Manager to sell public property owned by the City of Douglas located at 6825 W Wiley Road. Per the requirements of Ordinance 02-2022, an ordinance to *Establish Procedures for Transfer of Surplus Real Property for the City of the Village of Douglas*, the sale of surplus real property shall be done by passing an ordinance.

A review of Chapter 13 of the City Charter, also specifies that, “The City may not sell any cemetery, park or any part thereof unless approved by a majority vote of the electors voting thereon at any general or special election.” The property located at 6825 W Wiley Road is neither a park or cemetery.

The City purchased 6825 W Wiley Road in 2016 for \$196,600. The current appraisal of the property estimates the value to be approximately \$1,450,000.

The property is deemed to be surplus due to the City seeking to use those funds.

Per the Surplus Property Ordinance:

- Disposing of real property by City officials for employees for personal gain or to benefit the interest of any person or party other than the City is strictly prohibited.
- Sale of land or other real property requires City Council authorization and may require a vote of the majority of electors as provided in Chapter 13 of the City Charter.
- Sale of surplus real property shall be done by passing an ordinance. Real property may be conveyed by quit claim deed.
- The City shall not sell property to any individual or entity who is in default to the City.
- The purchaser shall agree to pay and be responsible to pay for any mortgage or title insurance policy, all costs in applying for and securing financing, inspections, environmental assessments, recording fees, and costs in connection with the purchaser’s use or intended use.

If the City Council agrees to sell the property, the City Manager will issue a request for sealed bids and allow 30 days for the submission of responses. The City may give preference to purchasers that will construct workforce or attainable housing on the vacant property. Adjoining property owners may be given preference if the real property is unbuildable because of zoning, other codes or laws, environmental or economic factors.

Sample Motion – I motion to adopt Ordinance 01-2024 declaring 6825 W Wiley Road as surplus property.

**CITY OF THE VILLAGE OF
DOUGLAS ALLEGAN COUNTY,
MICHIGAN ORDINANCE NO. 01-2024**

**AN ORDINANCE TO SELL 6825 WEST WILEY ROAD, SURPLUS REAL
PROPERTY, FOR THE CITY OF THE VILLAGE OF DOUGLAS**

THE CITY OF THE VILLAGE OF DOUGLAS DOES HEREBY ORDAIN:

SECTION 1: PURPOSE

The purpose of this ordinance is to provide a framework for the transfer of the City's real property, 6825 West Wiley Road, PNN: 03-59-017-089-40, Zoned R-1 Residential District, deemed to be surplus. This ordinance is intended to authorize the sale of real property that is transparent to the community, fair, equitable, and consistent with the best interests of the City.

SECTION 2: METHOD OF SALE

The real property shall be sold through sealed bids/offers after a Notice of Intent – Request for Bid is advertised.

SECTION 3: AUTHORIZATION TO SELL

The City is hereby authorized to sell the real property identified 6825 West Wiley Road, in accordance with the terms and conditions set forth in Ordinance 02-2022.

SECTION 4: TERMS OF SALE

The terms of sale, including the accepted bid and any other conditions of sale, shall be approved by the City Council.

SECTION 5: AUTHORIZATION TO EXECUTE DOCUMENTS

The City Manager is hereby authorized to execute any and all documents necessary to complete the sale of the real property, including purchase agreements, deeds, and escrow instructions, subject to final approval of the sale by the City Council subject to section 4 above.

Ordinance Offered by: _____

Ordinance Supported by: _____

Ayes:

Nays:

Abstain:

Absent:

Ordinance adopted on this _____ day of _____, 2024.

Cathy North, Mayor

Date

Laura Kasper, City Clerk

Date

Ordinance Effective Date: 20 days after publication

DRAFT