

TO: City Council

FROM: Rich LaBombard, City Manager

SUBJECT: Ordinance to sell 291 66th Street - Ordinance 02-2023 - First Reading

The Douglas City Council has directed the City Manager to sell public property owned by the City of Douglas located at 291 66th Street. 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 291 66th Street is neither a park or cemetery.

The City purchased 291 66th Street property in 2017 with the intent of relocating any or all of the Department of Public Works operations and construct a clear span storage building. The City paid just under \$52,000 for the property. An additional \$58,000 was invested to install a culvert, driveway, and parking pad. The City's total investment into the property was \$110,000 not including the cost for an environmental assessment. The current appraisal of the property estimates the value to be approximately \$160,000.

The property is deemed to be surplus due to the relatively small area that is buildable to suit the Department of Public Works needs. Furthermore, the location of the property in a residential neighborhood east of the highway is not the ideal location for a municipal facility.

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 a home on vacant property for residentially zoned parcels. Adjoining property owners may be given preference if the real property is unbuildable because of zoning, other codes or laws, environmental or economic factors.

First reading - No action required

CITY OF THE VILLAGE OF DOUGLAS ALLEGAN COUNTY, MICHIGAN ORDINANCE NO. 02-2023

AN ORDINANCE TO SELL 291 66TH STREET, 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, 291 66th Street, PNN: 03-59-022-006-00, 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 291 66th Street, 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.

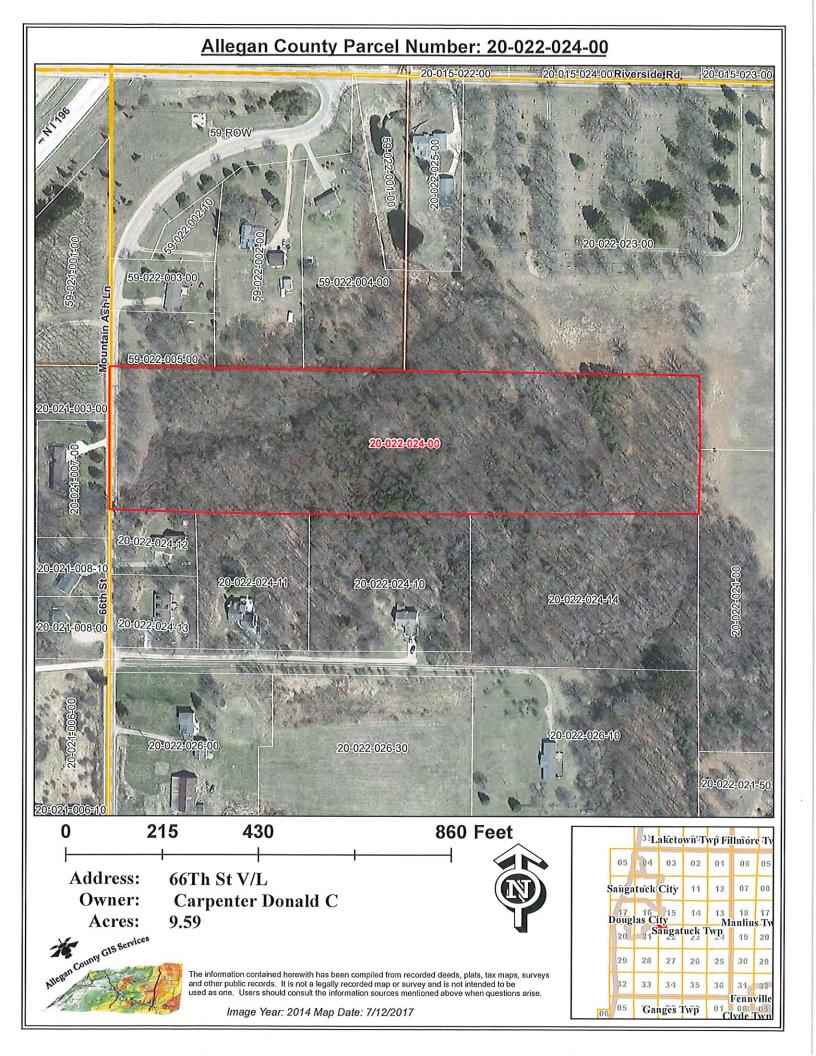
SECTION 5: AUTHORIZATION TO EXECUTE DOCUMENTS

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, 2023.	
	Jerome Donovan, Mayor	Date
	Pamela Aalderink, City Clerk	Date

Ordinance Effective Date: 20 days after publication



NOTICE OF PUBLIC HEARING CITY OF THE VILLAGE OF DOUGLAS ALLEGAN COUNTY

Proposed adoption of Ordinance 02-2023: Sale of surplus property.

NOTICE IS HEREBY GIVEN, that a public hearing on Ordinance 02-2023 to sell 291 66th Street, surplus property, for the City of the Village of Douglas at 7:00 p.m. on July 3, 2023, in the Council Chambers of City Hall, 86 W. Center Street, Douglas Michigan 49406.

The City Council may not adopt the proposed ordinance until after the public hearing. All interested parties will be given an opportunity to be heard regarding the proposed adoption. A copy of Ordinance 02-2023 is available to the public during normal office hours at the City Clerk's office, City Hall, 86 W Center Street, Douglas, Michigan, for a period of not less than one week prior to such public hearing.

This notice is given by order of the City of the Village of Douglas Council.

The City of the Village of Douglas is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of this meeting, or the facilities are requested to contact City Hall, at 269-857-1438 promptly to allow the City of the Village of Douglas to make reasonable accommodations for those persons.

Pamela Aalderink, CMC/MiCPT Douglas City Clerk