

City Commission Policy – *Inventory, Disposal, and Acquisition of Real Property* 

Policy No. 2023-01

Ordinance No. 2023-03

Approval Date: April 11, 2023

#### I. STATEMENT OF POLICY

- A. The City of North Port, Florida and its dependent special districts own real property necessary to provide effective government to the citizens and residents of the City of North Port. A majority of the City's real property currently serves a public purpose or is being held in reserve for future anticipated needs. Properties not classified as serving current and future needs of the City could be considered surplus and available for disposal.
- B. This policy sets forth the process by which the City Commission may classify, sell, exchange, donate, or otherwise convey any City-owned real property, as well as the process by which the City Commission may purchase, acquire, accept, or exchange real property.
- C. This policy applies to the City and to its dependent special districts.
- D. This policy is adopted by ordinance pursuant to Florida Statutes Section 166.045(c), which provides that a municipality may establish procedures by ordinance for the purchase of real property.<sup>1</sup>

#### II. POLICY AND PROCEDURE

- A. <u>Annual Listing of Real Property.</u> On an annual basis, or as otherwise required, the City Manager or designee will establish a list of all City and special district-owned real property.
  - 1. City departments and districts will review a list of all City-owned real property to determine if properties are still needed for a specific use.
  - The City Manager or designee may reserve any real property deemed appropriate for possible
    use as exchange property or as part of any City or special district acquisition project.
    Properties designated for exchange will be reviewed for suitability for capital and economic
    benefit.
  - 3. Properties that are not designated for a specific use will be listed as surplus.
  - 4. Surplus properties offered to, but not purchased by, adjacent property owners will be included on an annual list for the City Commission to determine disposition status.
  - 5. City Manager's Administrative Policy regarding Inventory, Disposal and Acquisition of Real Property provides procedural guidance for the administration of Commission Policy 2023-01.

<sup>&</sup>lt;sup>1</sup> See Att'y Gen Op. 90-53 (Fla. 1990).



City Commission Policy – *Inventory, Disposal, and Acquisition of Real Property* 

Policy No. 2023-01

Ordinance No. 2023-03

Approval Date: April 11, 2023

B. <u>Approval.</u> All acquisition or disposition of real property, regardless of the purchase price, requires the City Commission's approval via resolution.

#### C. Disposition of Real Property.

### 1. Disposition of Surplus Property.

- a. The City Manager or designee will maintain a surplus property list, presented to the City Commission prior to annual budget preparation workshops for review and approval by resolution.
- b. Property not reserved pursuant to Section II.A is eligible to be designated as surplus to the City's needs.
- c. Property owned by a special district and deemed surplus to the district's needs will first be offered to the City. Properties owned by the City and deemed surplus to the City's needs will first be offered to the special districts.
- d. The sale, exchange, or donation of surplus property requires the approval by resolution of the appropriate governing body. The City Manager or designee will be responsible for coordinating negotiations and the presentation of any resolutions to the City Commission.

#### 2. Surplus Property to Be Made Available to Public.

- a. Any property remaining after the disposition process outlined in Section II.C.1 will be made available to the public for purchase in accordance with this policy and applicable Florida Statutes. Waterfront or canal-front lands will not be considered for disposal.
- b. The City Manager or designee will notify the adjacent landowners by certified mail of the City's interest in selling these properties, as well as the process and timeline for the landowners to notify the City of their interest in purchasing the property and to submit a written offer. The city will not be responsible for any of the buyer's closing costs associated with the real estate transaction. The City will not warrant that a building permit can or will be issued. Due diligence of the future use of a surplus property is the responsibility of a potential buyer.
- 3. <u>Proceeds from Sales.</u> Proceeds from the sale of surplus properties will be allocated pursuant to City Commission direction.



City Commission Policy – *Inventory, Disposal, and Acquisition of Real Property* 

Policy No. 2023-01

Ordinance No. 2023-03

Approval Date: April 11, 2023

### 4. Disposition of Commercial Property.

- a. Within a reasonable time after receipt, and prior to negotiating, the City Manager must present to the City Commission any offer or request to purchase City-owned commercial property. Any purchase offers on City-owned commercial property will require a letter of interest.
- b. Prior to selling a commercial property, the City will contract for at least one appraisal with a possible land planning analysis of future development potential.
- c. The City Commission may accept an offer of purchase or may declare a commercial property for sale and seek offers or bids from interested parties. The city will not be responsible for any of the buyer's closing costs associated with the real estate transaction.

### D. Exchange of Real Property.

- 1. <u>Initiation of Exchange.</u> The exchange of City and special district-owned real property may be initiated by a capital improvement land acquisition project or for economic development projects where the City is looking to acquire land for a specific purpose or in partnership with a current or future developer.
- Waterfront or Canal Properties. Waterfront or canal-front lands will be reserved for use in the
  City's exchange program for its acquisition projects. The exchange shall only be considered if
  the property being acquired by the City is waterfront, canal-front, or part of the
  Myakkahatchee Creek Corridor project.

#### 3. Land Exchange Program.

- a. The goal of a land exchange program is to benefit the City and the landowner. For properties to be acquired for capital improvement or land acquisition projects, exchanging property may be more advantageous for the City than purchasing the property.
- b. The City will offer surplus property and apply the following criteria when considering exchanging properties with a willing landowner:
  - 1) The City will be looking to exchange property that contains similar attributes. For example, properties that are buildable, water or canal-fronting, contain good infrastructure, and have proximity to the interstate.



City Commission Policy – *Inventory, Disposal, and Acquisition of Real Property* 

Policy No. 2023-01

Ordinance No. 2023-03

Approval Date: April 11, 2023

- 2) The City will not exchange property that is more than the market value, appraised, or comparable sales of the property it is trying to acquire. In the event that the Cityowned property is valued more than the property to be acquired, the landowner must pay the City the difference in value.
- 3) The city will not be responsible for any of the buyer's closing costs associated with the real estate transaction.

#### E. Acquisition of Real Property.

- 1. The City is exempt from obtaining an independent written appraisal for donated parcels and for unimproved parcels that are less than 2 acres in size and not waterfront or on a canal. All other parcels will require an appraisal prior to consideration for purchase.
  - a) If the purchase price is less than \$500,000, the City must obtain one independent written appraisal.
  - b) If the purchase price is in excess of \$500,000, the City must obtain two independent written appraisals.
- 2. In the event there is an existing City-obtained written appraisal on the property is less than one (1) year old, that appraisal may be used in lieu of ordering a new appraisal.
- 3. All offers and counteroffers must be in writing.
- 4. Property purchased pursuant to this section may qualify for the public records exemption referenced in Florida Statutes Sections 119.07(1) and 166.045.

#### F. Requirements for Studies and Surveys on Real Property.

- 1. Prior to the City purchasing or exchanging property for development, a cultural resource assessment and an environmental wetland and wildlife survey must be conducted, unless otherwise determined by the City Commission.
- 2. Property that the City purchases or exchanges for other purposes (including preservation) will not require an assessment, a study, or a survey, unless otherwise determined by the City Commission.



City Commission Policy – *Inventory, Disposal, and Acquisition of Real Property* 

Policy No. 2023-01

Ordinance No. 2023-03

Approval Date: April 11, 2023

3. Property donated to the City will not require an assessment, a study, or a survey, unless otherwise determined by the City Commission.