

ORDINANCE NO. 655-19

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA AMENDING THE CITY OF PAGE CODE OF ORDINANCES CHAPTER 32, DISPOSITION OF PUBLIC REAL PROPERTY.

WHEREAS, the City Council finds that certain changes to the Chapter 32 of the City of Page Code of Ordinances, Disposition of Public Real Property, are in the best interests of the City and will improve the property sales process in a way that benefits both the City and potential purchasers; and

WHEREAS, A.R.S. § 9-802 allows a City to adopt a public record by ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 2. Chapter 32, Disposition of Public Real Property, as amended in Exhibit A, attached hereto and incorporated herein by reference, is hereby declared a public record. A minimum of one paper copy and one electronic copy of Exhibit A shall be maintained in compliance with A.R.S. § 44-7041 in the office of the City Clerk and shall be available for public inspection during normal business hours.

SECTION 3. Chapter 32, Disposition of Public Real Property, City of Page Code of Ordinances is hereby amended as depicted in Exhibit A, and that the amendments depicted therein are hereby approved and adopted.

SECTION 4. That the effective date of this Ordinance shall be March 15, 2019.

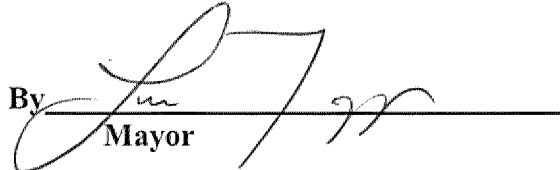
SECTION 5. If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the Code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 6. That the City Clerk is authorized to correct typographical and grammatical errors, as well as errors of wording and punctuation, as necessary; and that the City Clerk is authorized to make formatting changes needed for purposes of clarity and form, if required, to be consistent with the Page City Code of Ordinances.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA this 13th day of February, 2019, by the following vote:

Ayes	<u>7</u>
Nays	<u>0</u>
Abstentions	<u>0</u>
Absent	<u>0</u>

CITY OF PAGE

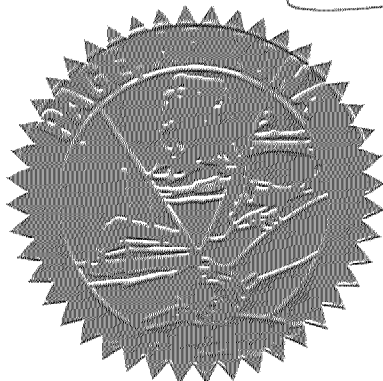
By 
Mayor

ATTEST:


CITY CLERK

APPROVED AS TO FORM:


CITY ATTORNEY



DISPOSITION OF PUBLIC REAL PROPERTY

§ 32.035 AUTHORITY TO INITIATE THE SALE OR LEASE OF REAL PROPERTY.

(A) The Council may initiate the sale or lease of real property by publicly identifying and posting those city-owned properties that are not needed or likely to be needed by the city within a reasonable period of time. A map identifying the properties for sale or lease shall at the direction of Council be posted on the city web site and be available in published form through the Clerk's office.

(B) A third party may request to purchase or lease city-owned property not identified and posted "For Sale or Lease", ~~by directing to the Council a written request to purchase or lease, accompanied by a survey and appraisal identifying the property and fair market value, a preliminary plat and development plan, and an estimated date to complete the project.~~ ANY PARTY DESIRING TO MAKE SUCH A PURCHASE SHALL FURNISH SUCH PRELIMINARY INFORMATION AS NECESSARY TO ALLOW THE COUNCIL TO EVALUATE THE PROPOSAL.

§ 32.036 MANNER OF SALE OF REAL PROPERTY.

Real property may be sold by the city in any of the following ways.

(A) *By negotiation.*

(1) All property sales consummated pursuant to negotiation shall be approved by ordinance of the Council.

(2) All properties identified and posted "For Sale" by Council, shall be sold without regard to identity of the purchaser, intended use or schedule for development.

(3) Purchasers of all city-owned property shall be responsible for providing a survey and ~~MAI-AN~~ appraisal COMPLETED BY A CERTIFIED GENERAL APPRAISER LICENSED IN ARIZONA. ~~attached to and incorporated in the proposed purchase agreement. The City Clerk's office shall maintain a list of available surveyors and appraisers and may provide a copy of an approved purchase agreement.~~

(4) Proposed purchase agreements shall be presented by the purchaser through ~~the City Clerk's office~~ CITY STAFF to the Council for negotiation and approval. Council may approve a sale based on appraised value presented or seek another appraisal prior to further negotiation. Once Council has approved the sale of property, a formal written agreement shall not be consummated until publication and comment periods have expired.

(5) The City Clerk shall publish in a paper of general circulation in the city a "Notice of Sale of City Property" to be published once a week for two consecutive weeks. The City Clerk

shall also post a copy of the notice in at least three public places in the city. The notice shall contain the names of the purchasers, a general and legal description of the property to be sold and the sales price. Any other purchaser may, before the expiration of publication and comment periods, present a proposed purchase agreement WHICH SHALL INCLUDE -EARNEST MONEY IN A MINIMUM AMOUNT OF 10% OF THE SALES PRICE. ~~to Council~~ ~~which~~ SUCH A PROPOSAL shall have the effect of abating the published sale until further negotiations have been completed. COUNCIL MAY NEGOTIATE THE SALE IN THE BEST INTERESTS OF THE CITY.

(6) At the next regular meeting of the City Council after the required publication, the Council may approve the ordinance for the sale of the identified property ~~by first or second reading.~~ Council may not thereafter consider other offers to purchase the identified property unless the acts or omissions of the purchaser would preclude the close of escrow.

(7) If the Council approves the ordinance ~~at the second reading,~~ a formal written agreement to purchase shall be executed and the sale concluded ~~pursuant to state law.~~

(8) All land sales agreements shall contain an acknowledgment by the purchaser that the purchased property is subject to use and development restrictions imposed by the City of Page General Plan, the General Development and Subdivision Regulations, city zoning ordinance, the Gateway Area Specific Development Plan, city adopted building codes and other applicable state and federal laws.

(9) Any state real estate broker representing a purchaser prior to an initial offer will at the close of escrow be paid a 3% commission based on the sales price. Exclusive real estate sales agreements for the sale of city property shall not be permitted.

(B) *By sealed bid or public auction.* Upon resolution of the Council ~~determining that the conditions of §§ 32.035 through 32.040 have been complied with,~~ the City Clerk shall be authorized to proceed with the sale of real property, under this section, as follows.

(1) If the value is less than \$25,000, as appraised, the property may be sold by sealed bid or by public auction as determined by the Council.

(2) If the value is more than \$25,000, as appraised, the property shall be sold at public auction to the highest bidder.

(3) At least 30 days prior to sale or disposition of property by sealed bid or auction, the City Clerk shall cause to be published in the official newspaper of the city a notice of sale of such property. The notice of sale shall be a brief description of the property, the hour, date and place of sale or disposition, and may also include the location where bid blanks and specifications may be secured, the location of the property, the conditions of sale and any restrictions placed on the use of the property as well as other such information considered relevant by the Council. The notice shall be published once each week for three consecutive weeks if in a weekly newspaper, with not less than 20 days intervening between the first and last publication and if in a daily newspaper, six consecutive times. The City Clerk shall also post a copy of the notice in at least three public places in the city.

(4) Bids:

(a) The minimum acceptable bid shall be determined by resolution of the Council-as required herein;

(b) Sealed bids shall be accompanied by a cashier's check payable to the city for 10% of the bid which check will be returned to the bidder if unsuccessful;

(c) All bidders at an auction shall, prior to the auction, furnish the auctioneer with a cashier check payable to the city for 10% of the appraisal value which check will be returned to the bidder if unsuccessful;

(d) Such sales shall be made to the highest bidder, but the Council shall have the right to reject any and all bids; and

(e) The sale shall be binding upon the city only upon award of the bid and delivery of the quit claim deed to the successful bidder, and no other action of the city or its representatives shall be construed to vest any right, title or interest to or in said property in any person prior to said delivery of the deed. Said award or rejection of the bid shall be made by the Council at the next regular Council meeting following the bidding.

(C) *Sale of slivers.*

(1) If the value of the property is less than \$510,000 as appraised, and the property is not marketable to the general public because no one other than an adjoining property owner can, within the Zoning Code of the city, lawfully utilize the property, as determined by the City Council, and if there is no other adjoining property owner who desires to purchase the property, the property may be sold to the adjoining property owner for its appraised value without the necessity for a public sale, either by auction or sealed bid.

(2) The manner of sale to the adjoining property owner shall proceed in compliance with this subchapter, except that the contents of the notice of sale shall be modified so as to advise the public of the proposed sale to a particular individual. The sale shall thereafter be made to the individual at the time contained within the notice of sale. If there is more than one adjoining property owner who may lawfully utilize the property in connection with his or her adjoining property and they each desire to purchase the property, then, and only in that event, the property shall be sold at sealed bid in accordance with this section except that the only qualified bidders upon the parcel of property to be sold shall be the adjoining property owners who qualify as a bidder in accordance with this division (C).

§ 32.037 **CONDITIONS PRECEDENT TO SALE OF REAL PROPERTY.**

No sale of real property shall be made until the following conditions precedent have been complied with.

(A) *Survey.* The ~~PROPERTY HAS BEEN SURVEYED~~Public Works Director shall forthwith furnish a surveyed metes and bounds description, describing the lands to be conveyed, together with any restrictions necessary to the use of the land relative to the protection of public safety and welfare.

(B) *Appraisal.* An appraisal of the value of the property has been obtained from a AN ARIZONA “state licensed or state certified GENERAL appraiser” appropriately licensed or certified for the type of real property being appraised for all property to be sold; provided however, if the land to be sold has been previously appraised within the last 18 months, a new appraisal ~~shall~~ MAY not be required for the purposes herein.

(C) *Conformance to ordinances of the city.*

~~(1) Except property in areas covered by a specific development plan and/or planned development zoning, the Planning and Zoning Commission shall, within 60 days, unless a longer period of time is indicated by the Council, determine whether the proposed use of the property conforms to the Zoning Code, Subdivision Code and Comprehensive Plan.~~

~~(2) The Council may also require review by such other ANY municipal departments, BOARD OR COMMISSION as are deemed necessary.~~

§ 32.038 EXCHANGE OF LAND.

Notwithstanding the provisions of this subchapter, the city may exchange any real property by resolution of the City Council. ~~The city’s property shall have an exchange value of no less than 75% of the appraised value provided that the Council finds that other considerations mean that the property to be exchanged are of equal value and that w~~ Written records of such exchange, including all ANY appraisals AND REASONS FOR THE EXCHANGE of the property exchanged, are SHALL BE maintained AND open to public inspection for at least three years in the City Clerk’s Office.

§ 32.039 LEASE OF CITY PROPERTY.

(A) It is the policy of the city that public land or buildings shall be leased in a way that maximizes the value of city assets, promotes activities and uses that are in the overall best interest of the city, and are consistent with the General Plan. The Council may lease any land or buildings now or hereafter owned by the city on such terms and conditions, including an option to purchase, as the Council may prescribe by public auction, sealed bids or negotiation. All leases made pursuant to public auction or sealed bids shall be made to the highest responsible bidder at the highest rental bid, after notice thereof in accordance with § 32.036(B), stating explicitly the time and conditions of the proposed lease. The Council may, in its discretion, reject any and all bids.

(B) All leases made pursuant to negotiation shall be approved by resolution of the Council, UNLESS OTHERWISE SPECIFIED HEREIN. Prior to the approval and execution of such a lease, the Council shall publish in a paper of general circulation in the city, a notice of intent to lease city property once each week for two consecutive weeks if in a weekly paper, with not less than six days intervening between the first and last publication and if in a daily paper, four consecutive times. The City Clerk shall also post a copy of the notice in at least three public places in the city. The notice shall, at a minimum, contain the names of the parties to the proposed lease, a general description and address of the property to be leased, the proposed use of the property, the term of the lease and the rental amount of the proposed lease. The cost of

publication shall be paid by the proposed tenant of the lease. Airport hangAer leases, LEASES BASED UPON A FEE SCHEDULE ADOPTED BY THE COUNCIL, -and -other-leases of nominal value, which shall be deemed leases of less than \$2,000 of annual lease revenue, are exempt from the publication requirements ~~and are not subject to objection as set forth herein.~~ LEASES WITH ONLY ONE INTERESTED PARTY THAT ARE BASED UPON A PUBLISHED FEE SCHEDULE ADOPTED BY COUNCIL MAY BE APPROVED BY THE CITY MANAGER.

(C) In the event the city receives a written objection to the award of a negotiated lease, within ~~the seven days from the first date of the publication~~ PERIOD, the PROPOSED lease shall not be approved and may only be awarded after public auction or sealed bids BE ABATED UNTIL FURTHER NEGOTIATIONS OR A PUBLIC AUCTION HAS BEEN COMPLETED. All notices of intent to lease shall contain the information regarding written objections and the manner therefor.

§ 32.040 AUTHORITY TO SUBDIVIDE.

The Council may also in its discretion subdivide and plat city property, in accordance with the Subdivision Code of the city which it determines to sell, providing restrictions relative to its use and dedicate streets and alleys as determined necessary for the use of the public.

§ 32.041 DISPOSAL OF SURPLUS PERSONAL PROPERTY.

(A) ANY SURPLUS PERSONAL PROPERTY MAY BE DISPOSED OF BY THE CITY MANAGER, OR AUTHORIZED DESIGNEE, IN THE BEST INTERESTS OF THE CITY AS FOLLOWS:

- (1) SOLD AT AUCTION;
- (2) PROPERTY MAY BE TRADED FOR CREDIT AGAINST NEW PURCHASES;
- (3) ESTABLISH THE FAIR MARKET VALUE AND SELL THE PROPERTY THROUGH ADVERTISEMENT; OR
- (4) CONTACT PERSONS DEALING IN THE PROPERTY FOR CONSIGNMENT CONSIDERATION OR OTHER INTERESTED PERSONS AND TAKE WRITTEN OFFERS, DISPOSING OF THE PROPERTY TO THE PERSON MAKING THE MOST ADVANTAGEOUS OFFER.

(B) ANY PROPERTY THAT IS DISPOSED OF THAT HAS A VALUE OF MORE THAN \$2,500 SHALL BE REPORTED TO THE CITY COUNCIL.

(C) NO INDIVIDUAL, CITY EMPLOYEE, ELECTED OR APPOINTED OFFICIAL, CITY OFFICE OR AGENCY SHALL SELL, TRANSFER, TRADE IN, CONDEMN OR OTHERWISE DISPOSE OF ANY CITY PERSONAL PROPERTY WITHOUT AUTHORIZATION FROM THE CITY MANAGER.