



NOTICE OF SALE OF REAL PROPERTY

SALE BID #056-2010

Sale of Real Property – GROUP 3

BID Due Date: 3:00 P.M., DECEMBER 15, 2009

Location: Purchasing Division, 218 E Central, Springfield, MO 65802

Buyer: Jason L. Finke, CPPO

email jfinke@springfieldmo.gov

Phone: 417-864-1624

Fax: 417-864-1927

Sealed bids will be received by the Purchasing Division at the specified location until the time and date cited above. Only bids received by the correct time and date will be recorded.

Bids must be submitted in an envelope with the Sale Bid number and the Bidder's name and address clearly indicated on the envelope. All bids must be complete and submitted by the time and date cited above.

Bidders are strongly encouraged to carefully read the entire Sale Bid.

November 18, 2009

Issue Date

**CITY OF SPRINGFIELD, MISSOURI
DIVISION OF PURCHASES
SALE BID TERMS AND CONDITIONS**

1. INTRODUCTION/DESCRIPTION OF PROJECT:

The City of Springfield is soliciting sealed bids for the sale of various parcels of City owned property. It is desired by the City to award and sell each property on an individual basis to qualified individuals or firms with the most favorable bid for each property. This determination shall be made in accordance with Resolution 9711 (see attached). The City reserves the right to award multiple properties to a bidder if determined in the best interest of the City.

The City will convey the properties described herein to the successful bidder by Special Warranty Deed or Quit Claim Deed. The City reserves the right to place any necessary covenants on the property as necessary, based on the proposed usage described on the bidders Proposal Form.

1.1 Background:

The vacant lots were acquired as a result of Dangerous Building proceedings and the collection of liens. The City has established a reserve amount for each of the properties listed. The reserve amounts will be kept in a sealed envelope in the Purchasing Office, and will be revealed at the time of the bid opening.

1.2 Site Conditions:

The sites are currently zoned R-SF with one zoned GM and all are vacant. An official land survey has not been completed by the City at this time. The successful bidder shall be responsible for obtaining any required land survey including any easements, such as for utilities, as needed to be retained by the City for maintenance of public infrastructure.

1.3 Environmental Issues:

There are no "known" environmental issues at the sites. The sites remain vacant at this time. The property is being sold as is and as it exists.

1.4 Construction Readiness:

The City has not prepared any analysis of the site in terms of construction suitability. Construction readiness issues would be the responsibility of the successful bidder. This would include issues such as compaction of material, grading requirements, etc.

1.5 General Requirements:

1.5.1 Those submitting bids shall meet all requirements of City to be considered "eligible bidders" -- i.e. they cannot have defaulted or be in default on a present or past obligation to the City.

1.5.2 Bidder cannot currently be in violation of any local ordinances, rules or regulations.

1.5.12 Inspection: The property for sale will be available for inspection, 8:00 am to 4:30 pm, Monday through Friday. Please contact Paul Bles or Steve Shanholtzer at phone number: 417-864-2057 or 417-864-1938 to schedule an inspection. Failure on the part of the Bidder to inspect the property will not be considered as grounds for any claims for adjustment.

1.5.13 Award: Any award made hereunder shall be by written document issued by the Division of Purchases. Verbal awards are prohibited; however, the City Buyer administering the bid may discuss the bid results upon request.

The City of Springfield, Missouri, at its sole option, may delay any decision to award or cancel the bid for up to ninety (90) days following the bid opening date; and further, reserves the right to reject any or all bids and unless otherwise specified by the Bidder, to accept any item in the bid. The City may award by item or combination of items as may be in the City's best interest.

1.5.14 Approval Requirements: Award of this property is contingent upon approval by City Council of the sale. Approvals require two (2) readings by city council.

1.5.15 Payment: Payment shall be made at the time of closing or transfer of title. Closing or transfer of title will be scheduled by the City. Payment shall be made in cash or by cashiers' check payable to the Director of Finance, City of Springfield, MO. Check shall be made to the Director of Finance, City of Springfield, MO.

1.5.16 Time Limit: The successful Bidder shall complete property transactions within forty-five (45) calendar days from date City Council approves the sale.

1.5.17 Excess Of \$10,000.00: Bids in excess of \$10,000.00 are also subject to City Manager acceptance and approval. In such case, Bidder agrees that all bids made are irrevocable for a period of ninety (90) calendar days from the date bids are opened and agrees to such as a condition of bidding.

Under \$10,000.00: Bidder agrees that all bids under \$10,000.00 are irrevocable for a period of ninety (90) calendar days from date bids are opened and agrees to such as a condition of bidding.

1.5.18 Failure to Pay: In the event the Bidder fails to make payment within the time specified herein, the City may sell to another buyer and the Bidder shall be liable to the City for the amount of loss caused by such failure to pay for the property.

1.5.19 Title Work: The Bidder is responsible for securing title search, title commitment, and/or title insurance at their own expense and discretion.

1.6 BID SUBMISSION REQUIREMENTS:

1.6.1 Sealed bids with one (1) original shall be received at the Purchasing Division no later than **3:00 p.m., December 15, 2009.** Bids will not be accepted after this time. Bids shall be addressed as follows:

For Mail or Hand Delivery

**CITY OF SPRINGFIELD
JASON L. FINKE, CPPO
SENIOR BUYER
218 E. CENTRAL
SPRINGFIELD, MO 65802**

Submitted envelopes should be marked: **"SALE BID #056-2010"**

1.6.2 Addendum: If it becomes necessary to revise or amend any part of this Sale Bid, the City Purchasing Agent will furnish the revision by written Addendum to all prospective bidders who received an original Sale Bid.

1.6.3 Questions Regarding Specifications or Bidding Process: To ensure fair consideration for all bidders, the City prohibits communication to or with any department, board, or employee during the submission process, except as provided herein. Additionally, the City prohibits communications

initiated by a bidder to the City official(s) or employee(s) evaluating or considering the bids prior to the time an award decision is made. Any communication between the bidder and the City will be initiated by the appropriate City Official(s) or employee(s) in order to obtain information or clarification needed to develop a proper, accurate evaluation of the bid. Such communications initiated by a bidder may be grounds for disqualifying the offending bidder from consideration for award of the bid and/or any future bid(s).

- A. Any questions relative to interpretation of specifications or the bid process shall be addressed to the City Purchasing Agent in writing, in ample time before the period set for the receipt and opening of bids. No inquiries, if received within ten (10) days of the date set for receipt of bids will be given any consideration. Any interpretation made to prospective bidders will be expressed in the form of an Addendum to the Sale Bid which, if issued, will be conveyed in writing to all prospective Bidders not later than five (5) days prior to the date set for receipt of bids.
- B. It will be the responsibility of the bidder to contact the Purchasing Division prior to submitting a bid to ascertain if any Addenda have been issued, to obtain all such Addenda, and to return executed Addendum with the bid.

Direct inquiries to:

CITY OF SPRINGFIELD

JASON L. FINKE, CPPO, SENIOR BUYER

218 E. CENTRAL

SPRINGFIELD, MO 65802

(417) 864-1624 PHONE; (417) 864-1927 FAX

JFINKE@SPRINGFIELDMO.GOV

1.6.4 Earnest Money: All bids shall include a price to be paid to the City for the land and must include earnest money, in the form of a cashier's check or money order, in the amount of 5% of purchase price or \$ 1,000.00 whichever is greater.

1.6.5 Default: If bidder defaults on agreement with City, bidder shall forfeit earnest money to cover costs of re-bidding the project and re-award.

1.6.6 Late Bids: Bids received by the City after the time specified for receipt will not be considered. Bidders shall assume full responsibility for timely delivery of the bids to the location designated for receipt of bids. The City of Springfield is not responsible for the U.S. Mail or private couriers in regards to mail being delivered by the specified time so that a bid can be considered.

1.6.7 Completeness: All information required by the bid must be supplied to constitute a legitimate bid. Required documents include:

- A. Proposal Form for each property being bid.
- B. Earnest money for each property being bid.
- C. Affidavit of Compliance for all properties being bid.

1.6.8 Costs for developing bids in response to this Sale Bid are entirely the obligation of the bidder(s) and shall not be chargeable in any manner to the City of Springfield.

1.6.9 The City reserves the right to conduct personal interviews with any or all bidders prior to selection. The City will not be liable for any costs incurred by the Bidder in connection with such interview (including travel, accommodations, etc.).

1.6.10 The City reserves the right to waive minor irregularities in the procedures.

1.6.11 All materials submitted as response to this Sale Bid shall become the property of the City of Springfield.

1.6.12 The City of Springfield reserves the right to use any and all information presented in any response to the Sale Bid. Acceptance or rejection of the bid does not affect this right.

2. SCOPE OF SERVICES

The City is seeking bids for the purchase of these sites.

2.1 Properties for Sale

(1) 917 North Douglas Ave -- Zoned R-SF (Residential Single-Family)

Legal Description: All of Lot Fifteen (15), Wesson's Hill Top Addition to the City of Springfield, Greene County, Missouri, according to the recorded plat thereof.

Parcel No. 1314417020

(2) 4126 West Junction St -- Zoned GM (General Manufacturing)

Legal Description: Junction City Lot 18

NOTES: AO-3 Airport Overlay – 93 x 180 Lot – Would be difficult to develop as a GM use. City has warranty deed- owners deeded over in lieu of paying the lien.

Parcel No. 1317312002

(3) 1221 South Crutcher Ave -- Zoned R-SF (Residential Single Family)

Legal Description: Beg 303.2 FT N NW Cor Meadowmere & Crutcher Ss N 50 FT W 20 0 FT M/L S 50 FT ETO Beg

NOTES: 1. Unplatted lot – Need Planning to certify as legal tract of land before being developed.

2. This property was described in a previous solicitation as the City not having clear title. **This was a misstatement; the City does have a clear and can provide a Special Warranty Deed.**

Parcel No. 1229204045

(4) 1229 South Willow Lane -- Zoned R-SF (Residential Single Family)

Legal Description: Maple Lane Extension Lot 5 Blk 3

NOTES: With restrictions – sinkhole area – not buildable. The City of Springfield will require a drainage easement for the entire lot that restricts any building or filling. A separate easement document to this effect will be presented to the buyer at the time of the property transfer.

Parcel No. 1229104035

(5) 1223 South Willow Lane -- Zoned R-SF (Residential Single Family)

Legal Description: Maple Lane Extension Lot 4 Blk 3

NOTES: With restrictions – sinkhole area – not buildable. The City of Springfield will require a drainage easement for the entire lot that restricts any building or filling. A separate easement document to this effect will be presented to the buyer at the time of the property transfer.

Parcel No. 1229104036

(6) 1230 South Willow Lane -- Zoned R-SF (Residential Single Family)

Legal Description: Maple Lane Extension Lot 5 Blk 1

NOTES: With restrictions – sinkhole area – not buildable. The City of Springfield will require a drainage easement for the entire lot that restricts any building or filling. A separate easement document to this effect will be presented to the buyer at the time of the property transfer.

Parcel No. 1229105009

(7) 1236 South Willow Lane -- Zoned R-SF (Residential Single Family)

Legal Description: Maple Lane Extension Lot 6 Blk 1

NOTES: With restrictions – sinkhole area – not buildable. The City of Springfield will require a drainage easement for the entire lot that restricts any building or filling. A separate easement document to this effect will be presented to the buyer at the time of the property transfer.

Parcel No. 1229105010

(8) 1242 South Willow Lane -- Zoned R-SF (Residential Single Family)

Legal Description: Maple Lane Extension Lot 7 Blk 1

NOTES: With restrictions – sinkhole area – not buildable. The City of Springfield will require a drainage easement for the entire lot that restricts any building or filling. A separate easement document to this effect will be presented to the buyer at the time of the property transfer.

Parcel No. 1229105011

NOTE: All information provided herein is for informational purposes. The bidder must execute due diligence to verify information prior to submitting a bid. The link to the Greene County Assessor's Office is as follows:

<http://www.greenecountyassessor.org/Search/GenericSearch.aspx?mode=address>

PROPOSAL FOR PURCHASE

The undersigned being fully familiar with the property and terms of sale for the City of Springfield, Missouri property, commonly referred to as **917 NORTH DOUGLAS AVE**, Springfield, Missouri accepts the property in "as is" condition and proposes the following:

Bid Amount: _____ Dollars (\$_____)

Special Conditions (if any) _____

Proposed use of the property _____

It is understood that the City of Springfield, Missouri intends to accept the proposal that it finds will be in the best public interest on the basis of price and in accordance with Resolution 9711. It is further understood and agreed that the City of Springfield, Missouri reserves the right to waive informalities and to reject any and all bids.

Submitted By:

(signature of bidder)

(printed or typed name)

(signature of bidder)

(printed or typed name)

(street address)

(telephone)

(city, state, zip)

(fax)

(date)

(e-mail)

PROPOSAL FOR PURCHASE

The undersigned being fully familiar with the property and terms of sale for the City of Springfield, Missouri property, commonly referred to as **4126 WEST JUNCTION ST**, Springfield, Missouri accepts the property in "as is" condition and proposes the following:

Bid Amount: _____ Dollars (\$_____)

Special Conditions (if any) _____

Proposed use of the property _____

It is understood that the City of Springfield, Missouri intends to accept the proposal that it finds will be in the best public interest on the basis of price and in accordance with Resolution 9711. It is further understood and agreed that the City of Springfield, Missouri reserves the right to waive informalities and to reject any and all bids.

Submitted By:

(signature of bidder)

(printed or typed name)

(signature of bidder)

(printed or typed name)

(street address)

(telephone)

(city, state, zip)

(fax)

(date)

(e-mail)

PROPOSAL FOR PURCHASE

The undersigned being fully familiar with the property and terms of sale for the City of Springfield, Missouri property, commonly referred to as **1221 SOUTH CRUTCHER AVE**, Springfield, Missouri accepts the property in "as is" condition and proposes the following:

Bid Amount: _____ Dollars (\$_____)

Special Conditions (if any) _____

Proposed use of the property _____

It is understood that the City of Springfield, Missouri intends to accept the proposal that it finds will be in the best public interest on the basis of price and in accordance with Resolution 9711. It is further understood and agreed that the City of Springfield, Missouri reserves the right to waive informalities and to reject any and all bids.

Submitted By:

(signature of bidder)

(printed or typed name)

(signature of bidder)

(printed or typed name)

(street address)

(telephone)

(city, state, zip)

(fax)

(date)

(e-mail)

PROPOSAL FOR PURCHASE

The undersigned being fully familiar with the property and terms of sale for the City of Springfield, Missouri property, commonly referred to as **1229 SOUTH WILLOW LANE**, Springfield, Missouri accepts the property in "as is" condition and proposes the following:

Bid Amount: _____ Dollars (\$_____)

Special Conditions (if any) _____

Proposed use of the property _____

It is understood that the City of Springfield, Missouri intends to accept the proposal that it finds will be in the best public interest on the basis of price and in accordance with Resolution 9711. It is further understood and agreed that the City of Springfield, Missouri reserves the right to waive informalities and to reject any and all bids.

Submitted By:

(signature of bidder)

(printed or typed name)

(signature of bidder)

(printed or typed name)

(street address)

(telephone)

(city, state, zip)

(fax)

(date)

(e-mail)

PROPOSAL FOR PURCHASE

The undersigned being fully familiar with the property and terms of sale for the City of Springfield, Missouri property, commonly referred to as **1223 SOUTH WILLOW LANE**, Springfield, Missouri accepts the property in "as is" condition and proposes the following:

Bid Amount: _____ Dollars (\$_____)

Special Conditions (if any) _____

Proposed use of the property _____

It is understood that the City of Springfield, Missouri intends to accept the proposal that it finds will be in the best public interest on the basis of price and in accordance with Resolution 9711. It is further understood and agreed that the City of Springfield, Missouri reserves the right to waive informalities and to reject any and all bids.

Submitted By:

(signature of bidder)

(printed or typed name)

(signature of bidder)

(printed or typed name)

(street address)

(telephone)

(city, state, zip)

(fax)

(date)

(e-mail)

PROPOSAL FOR PURCHASE

The undersigned being fully familiar with the property and terms of sale for the City of Springfield, Missouri property, commonly referred to as **1230 SOUTH WILLOW LANE**, Springfield, Missouri accepts the property in "as is" condition and proposes the following:

Bid Amount: _____ Dollars (\$_____)

Special Conditions (if any) _____

Proposed use of the property _____

It is understood that the City of Springfield, Missouri intends to accept the proposal that it finds will be in the best public interest on the basis of price and in accordance with Resolution 9711. It is further understood and agreed that the City of Springfield, Missouri reserves the right to waive informalities and to reject any and all bids.

Submitted By:

(signature of bidder)

(printed or typed name)

(signature of bidder)

(printed or typed name)

(street address)

(telephone)

(city, state, zip)

(fax)

(date)

(e-mail)

PROPOSAL FOR PURCHASE

The undersigned being fully familiar with the property and terms of sale for the City of Springfield, Missouri property, commonly referred to as **1236 SOUTH WILLOW LANE**, Springfield, Missouri accepts the property in "as is" condition and proposes the following:

Bid Amount: _____ Dollars (\$_____)

Special Conditions (if any) _____

Proposed use of the property _____

It is understood that the City of Springfield, Missouri intends to accept the proposal that it finds will be in the best public interest on the basis of price and in accordance with Resolution 9711. It is further understood and agreed that the City of Springfield, Missouri reserves the right to waive informalities and to reject any and all bids.

Submitted By:

(signature of bidder)

(printed or typed name)

(signature of bidder)

(printed or typed name)

(street address)

(telephone)

(city, state, zip)

(fax)

(date)

(e-mail)

PROPOSAL FOR PURCHASE

The undersigned being fully familiar with the property and terms of sale for the City of Springfield, Missouri property, commonly referred to as **1242 SOUTH WILLOW LANE**, Springfield, Missouri accepts the property in "as is" condition and proposes the following:

Bid Amount: _____ Dollars (\$_____)

Special Conditions (if any) _____

Proposed use of the property _____

It is understood that the City of Springfield, Missouri intends to accept the proposal that it finds will be in the best public interest on the basis of price and in accordance with Resolution 9711. It is further understood and agreed that the City of Springfield, Missouri reserves the right to waive informalities and to reject any and all bids.

Submitted By:

(signature of bidder)

(printed or typed name)

(signature of bidder)

(printed or typed name)

(street address)

(telephone)

(city, state, zip)

(fax)

(date)

(e-mail)

SAMPLE - SPECIAL WARRANTY DEED

THIS INDENTURE, made on this ____ day of _____, 2009, by and between the City of Springfield, Missouri, a municipal corporation, of the County of Greene in the State of Missouri, Grantor, whose mailing address is 840 Boonville Ave., Springfield, MO 65802, and _____, whose mailing address is _____, Grantee.

WITNESSETH, That Grantor, in consideration of the sum of _____ Dollars-(\$_____) and other valuable consideration, paid by the said Grantee, the receipt of which is hereby acknowledged, does by these presents, SELL AND CONVEY, unto the said Grantee, _____ successors and assigns, the following described land lying, being and situate in the County of Greene and State of Missouri, to-wit:

PROPERTY DESCRIPTION TO BE INCLUDED HERE AT TIME OF SALE

Grantor retains, and the property conveyed is subject to, a perpetual easement for storm water drainage, collection, ponding, and storage over and across the entire tract. The foregoing shall run with the land and be binding upon Grantee's heirs, successors, assigns and grantees.

TO HAVE AND TO HOLD the same, subject to the foregoing, with all and singular the rights, privileges, appurtenances and immunities thereto belonging, or in anywise appertaining, and Grantor shall Warrant and Defend Grantee, Grantee's successor, heirs and assigns, against the lawful claims of all persons claiming by, through, or under Grantor, except for:

- (a) rights or claims of parties in possession not shown by public records;
- (b) easements, or claims of easements, not shown by matters which would be disclosed by an accurate survey or inspection of the premises;
- (c) encroachments, overlays, boundary disputes or other matters which would be disclosed by an accurate survey or inspection of the premises;
- (d) any lien or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by public records;
- (e) all restrictions, covenants, rights-of-way, and easements of record; and
- (f) all zoning or subdivision regulations.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed on the date first above written.

THE CITY OF SPRINGFIELD, MISSOURI

By: _____
Mayor

Attest:

City Clerk

STATE OF MISSOURI

ACKNOWLEDGMENT

COUNTY OF GREENE

On this ____ day of _____, 2009, before me personally appeared _____, to me personally known, in his capacity as Mayor of The City of Springfield, Missouri, a municipal corporation, and acknowledged said instrument with authority and on behalf of said municipality.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in Springfield, Missouri, this _____ day of _____, 2009.

Notary Public

My term of office expires: _____

Sample - Missouri Quitclaim Deed

THIS INDENTURE, effective as of the ___ day of _____, 20____, by and between _____, a _____, party of the first part, and _____, a _____, having its principal offices at _____, party of the second part.

WITNESSETH, that the party of the first part, in consideration of the sum of _____ DOLLARS (\$_____), and other good and valuable consideration to it paid by the party of the second part, the receipt and sufficiency of which is hereby acknowledged, does by these presents REMISE, RELEASE, and FOREVER QUIT CLAIM unto the party of the second part, the following described lots, tracts, or parcels of land lying, being, and situated in the County of _____, and State of Missouri to-wit:

PROPERTY DESCRIPTION TO BE INCLUDED HERE AT TIME OF SALE

TO HAVE AND TO HOLD THE SAME, with all the rights, immunities, privileges, and appurtenances thereto belonging, unto the party of the second part and unto its heirs and assigns forever; so that neither the party of the first part nor its heirs or assigns, nor any other person or persons, for whom or in whose name or behalf, will hereinafter claim or demand any right or title to the described premises or any part thereof, but they and each of them shall, by these presents, be excluded and forever barred.

IN WITNESS WHEREOF, The party of the first part has caused these presents to be signed as of the day and year first above written.

THE CITY OF SPRINGFIELD, MISSOURI

By: _____
Mayor

Attest:

City Clerk

STATE OF MISSOURI

ACKNOWLEDGMENT

COUNTY OF GREENE

On this ____ day of _____, 2009, before me personally appeared _____, to me personally known, in his capacity as Mayor of The City of Springfield, Missouri, a municipal corporation, and acknowledged said instrument with authority and on behalf of said municipality.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in Springfield, Missouri, this ____ day of _____, 2009.

Notary Public

My term of office expires: _____

**CITY OF SPRINGFIELD
STATEMENT OF NO BID
SALE BID #056-2010**

IF YOU DO NOT INTEND TO BID ON THIS REQUIREMENT, PLEASE COMPLETE AND RETURN THIS FORM PRIOR TO DATE SHOWN FOR SALE BID TO: CITY OF SPRINGFIELD, PURCHASING DIVISION, 218 E. CENTRAL, SPRINGFIELD, MO 65802 OR FAX 417 864-1927.

WE, THE UNDERSIGNED, HAVE DECLINED TO BID ON YOUR **SALE BID NO. 056-2010** FOR **SALE OF REAL PROPERTY – GROUP 3** FOR THE FOLLOWING REASON(S):

- _____ SPECIFICATIONS ARE TOO "TIGHT", I.E. GEARED TOWARD ONE BRAND OR MANUFACTURER ONLY (PLEASE EXPLAIN REASON BELOW)
- _____ INSUFFICIENT TIME TO RESPOND TO INVITATION FOR BID.
- _____ WE DO NOT OFFER THIS PRODUCT/S OR EQUIVALENT.
- _____ REMOVE US FROM YOUR BIDDERS' LIST FOR THIS COMMODITY OR SERVICE
- _____ OUR PRODUCT SCHEDULE WOULD NOT PERMIT US TO PERFORM.
- _____ UNABLE TO MEET SPECIFICATIONS.
- _____ UNABLE TO MEET INSURANCE REQUIREMENTS.
- _____ SPECIFICATIONS UNCLEAR (PLEASE EXPLAIN BELOW).
- _____ OTHER (PLEASE SPECIFY BELOW).

REMARKS: _____

WE UNDERSTAND THAT IF THIS "NO BID" LETTER IS NOT EXECUTED AND RETURNED, OUR NAME MAY BE DELETED FROM THE LIST OF QUALIFIED BIDDER'S FOR THE CITY OF SPRINGFIELD FOR FUTURE PROJECTS OR COMMODITIES.

COMPANY NAME _____

ADDRESS _____

SIGNATURE AND TITLE _____

TELEPHONE NUMBER _____ DATE _____

Pub. Imp. _____
Govt. Grnt. _____
Emer. _____
P. Hrngs. _____
Pgs. 6
Filed: 8-18-09

Sponsored by: Chiles, Compton,
Burlison, Rush

COUNCIL BILL NO. 2009 - 210 RESOLUTION NO. 9711

A RESOLUTION

APPROVING the concept set out in Draft Administrative Memorandum 5B. (The Finance and Administration Committee and City Staff recommend approval.)

WHEREAS, the City of Springfield City Council is in the process of considering ways of funding the Police Officers' and Firefighters' Retirement System (Pension Fund); and

WHEREAS, as a part of the community discussion, several citizens and one Council member suggested the City review its real estate holdings and determine if any properties could be disposed of in such a way as to provide some revenue for the Pension Fund; and

WHEREAS, City Council requested that the City Manager's Office review properties owned by the City to determine if there were any that could be disposed of as surplus with proceeds being paid into the Pension Fund; and

WHEREAS, after approximately one year of staff time, 900 properties were reviewed and 64 properties were identified as being capable of being declared surplus and disposed of for some consideration to the City; and

WHEREAS, most of the 64 properties were acquired with enterprise or earmarked tax revenues, which would result in net proceeds received from sale of said properties being returned to such funds, at least to the extent such net proceeds would cover expenditures and restrictions placed upon such funds, but some net proceeds may be realized that could be placed in the Pension Fund; and

WHEREAS, the 64 properties are ones with special circumstances attached to current and future uses, including restrictions or covenants protecting City projects, adjacent properties or limitations because of size or location that are anticipated to reduce the price or value a buyer may be willing to give for such properties; and

WHEREAS, it would be in the best interest of the City and the community at large

that such properties be disposed of in the most efficient and cost-effective manner consistent with the City's Comprehensive Plan, policies, and Council goals, and placing as many properties as practical to productive use even if the disposal of any one property may not result in a net revenue available to the Pension Fund; and

WHEREAS, in the disposal of the these properties, a number of City Council identified priorities and community goals may be advanced; and

WHEREAS, it is appropriate that the City Manager issue an administrative memorandum of a similar type to those previously issued for properties that are valued at more than \$10,000 and less than \$100,000 which sets out the process by which properties with special circumstances may be disposed of and for what consideration or value to the City and the community; and

WHEREAS, it is equally appropriate that City Council indicate its approval of the concepts and direction contained in such a memorandum due to the unique nature of the properties involved while retaining the Council's Charter power of approval of the final negotiated contract to dispose of each parcel.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPRINGFIELD as follows:

That the City Council approves of and encourages the City Manager to adopt and issue an Administrative Memorandum substantially in the same form and content as that attached hereto and incorporated herein by reference as Exhibit "A" and that the City Manager proceed with determining interest in the 64 properties identified and return to City Council at an appropriate time with agreements to dispose of same in accordance with the guidelines set out in such Memorandum.

Passed at meeting: August 24, 2009

James E. O'Neal
Mayor

Attest: Bud M. Lutz, City Clerk

Filed as Ordinance: August 24, 2009

Approved as to form: Oil R. Wilson, City Attorney

Approved for Council action: Greg B. Smith, City Manager

Aff. Agcy. Noticed _____
Emergency Required _____
P. Hrngs. Required _____
Fiscal Note Required _____
Board Rec. Required _____

EXPLANATION TO COUNCIL BILL NO. 2009 - 210

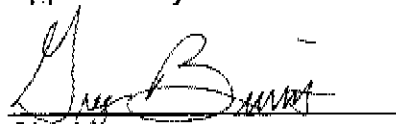
ORIGINATING DEPARTMENT: CITY MANAGER

PURPOSE: To approve the use of an administrative policy for disposal of real property with special circumstances by the City Manager.

BACKGROUND: The City Council continues to look for ways to fund the Police Officers' and Firefighters' Retirement System (Pension Fund). Several citizens and one Council member suggested that the City may be able to sell real estate it owned and place the proceeds into the Pension Fund. City Council requested that the City Manager's Office review properties owned by the City and determine if any of the properties could be classified as surplus and, if so, could such properties be disposed of and the proceeds used to help fund the Pension Fund. After almost a year of review of 900 properties, staff has developed a list of 64 properties which may be considered surplus and available for disposal through sale or other means. The value of any of the parcels would be considered lower than similar tracts on the market due to the need to place restrictions or covenants to limit future uses. These restrictions would be necessary to protect the City's interests or adjacent properties. A large number of parcels are also "strips" of land and may only be of interest to neighboring properties. Staff discovered that most of the properties that may be disposed of were funded through special taxes or restricted funds and any monies received would have to be returned to the fund. In some cases, the amount to be returned would be limited to the costs involved with acquisition and demolition; therefore any net proceeds could be placed in the Pension Fund.

REMARKS: The City Manager's Office has already in place two administrative memoranda on how to deal with properties that are valued above and below \$10,000.00. However, most of the properties identified as available for disposal will not have much value due to the restrictions that would need to be placed on the properties and other unique characteristics of the parcels. Due to the nature of the properties, the staff is recommending a third memorandum be approved by the City Manager which would allow for a less expensive way of disposing of the properties while ensuring that the interests of the City and the community are met and protected. The City Manager's Office is seeking approval of the concept by Council. Passage of this Resolution will give such approval and also ensure that at the time of disposal, all parcels and the negotiated offers will be brought to Council for public and Council comments.

Approved by:



City Manager

DRAFT OF ADMINISTRATIVE MEMORANDUM 5B
DISPOSAL OF PROPERTY WITH SPECIAL CIRCUMSTANCES

The following procedures may be utilized when the City is disposing of surplus land and property with special circumstances attached to it. These procedures will create exceptions to the process outlined within our Administrative Memoranda 5 and 5A. Such special circumstances may include a requirement of restrictions to satisfy storm water, right-of-way, health, or funding source requirements and similar types of considerations. It may also include those situations where the cost of an appraisal and expenses of sale would negate any net return for the property. There are several categories that have been identified with respect to properties with special circumstances including: (a) strips of land that are 40 feet or less in width which would include any properties which are remnants from projects, (b) properties for which the City has no general public purpose, (c) properties which must be conveyed with restrictions to protect the adjacent property owners or the public-at-large (i.e. retaining stormwater easements), (d) properties for which the City may only issue a quit claim deed due to possible title issues, and (e) buildable tracts for which the City may issue title that is clear.

Properties which may be disposed of in accordance with this Administrative Memorandum must have already been declared to be surplus, properties which no other City agency may make use of, are not needed for future expansion of a current operation or project such as future right-of-way or building expansion, and approved by the Planning & Zoning Commission for disposal. All sales or contracts to dispose shall be approved by the City Council by special ordinance.

All properties to be disposed of under this Administrative Memorandum:

1. All applicable City, State, and federal laws, rules and regulations must be followed in the disposal of property including, but not limited to, antidiscrimination laws and environmental laws.
2. Public Works, the department having control of the property, and the Law Department shall determine an appropriate legal description to be used and the type of title the City may convey to private parties, governmental entities, or other third parties.
3. Public Works and Planning in consultation with the department having control of the property shall make a good faith determination as to the estimated minimum consideration the City would receive for the property using comparables and any other information available to the City, including restrictions which would be placed on the property or which impact the development or use of the property. Such consideration must be approved by the City Manager and the Director of Finance.
4. If, in the discretion of the City Manager, it is determined that it is in the best interests of the City to dispose of property with special circumstances through a contract with a third party, such party shall be procured in accordance with the procedure set forth in Administrative Memorandum #5A.
5. The City should also recognize that when it is determined to be in the best interests of the City to dispose of a large number of lots or parcels that may impact the sales of the City's properties or those of others, such sales may need to be phased to avoid influencing prices and the market.
6. Reasonable efforts shall be made to identify willing buyers for property. Such efforts to identify willing buyers may include posting the property, direct contact with neighboring property owners, advertising in daily or weekly publications, trade publications, local periodicals, website postings, direct mailings, and contacts with not-for-profit organizations whose purpose would lend itself to development and use of the land in a manner consistent

with the Codes, ordinances and policies of the City. Other methods may be explored as they are identified. An application to obtain title shall be completed by the willing buyer. The form shall be developed by the Purchasing Agent of the City and approved by the City Manager's Office.

7. At the discretion of the City Manager's office, an offer for a property that is less than the minimum consideration, as determined by staff, may be accepted if the restrictions on the future use or transferability of the property would justify acceptance of such a reduced consideration. A property may also be transferred to a willing party at no cost upon exhaustion of reasonable attempts to dispose of the property at its predetermined minimum consideration. A no-cost transfer is appropriate when the property would be placed back on the tax rolls; or the City would be relieved of future maintenance costs; or affordable housing would be provided for a reasonable period of time. The Planning and Development Department will establish criteria for transfers to provide affordable housing.

8. The successful applicant must demonstrate a use for the property which is consistent with or advances a Council priority, is consistent with the City's Comprehensive Plan, is an action step from a City strategic or comprehensive plan, neighborhood assessment need, requirement of a federal or state grant or other funding, or other appropriate purpose as identified by the applicant and verified by City staff. The determination of which applicant satisfies the policies and priorities of the City as enunciated in its policies, plans, ordinances, Codes and other public statements shall be made by the Administrative Review Committee (ARC). Any appeal from the decision of the ARC shall be made to the City Manager's Office. Such appeal shall be limited to whether or not the ARC properly weighed the different policies, plans, ordinances, Codes and other public statements. The Manager's decision shall be final.

9. The successful applicant may be required to pay expenses customarily paid by the seller of property, or accept a quit claim deed. Costs of obtaining a survey, processing lot combinations, or obtaining warrantable title may be the responsibility of the applicant/buyer.

10. Once an applicant is awarded the right to acquire the property, final approval shall be obtained from Council. Closing shall be in accordance with the agreement between the parties.

Strips of land:

1. The department having control of strips of land that consist of unbuildable lots, remnants from City projects, or with restrictions on use that restricts the ability of the buyer to construct a building or other useable structure in accordance with the Codes and Zoning Ordinance of the City shall work with the Manager's Office to identify willing buyers who will put such strips of land into constructive use that is consistent with the City's Comprehensive Plan for the area and the rights of neighboring property owners.

Properties for which the City has no general public purpose.

1. The department with control over the property shall report to the City Manager's Office that the property no longer serves a general public purpose after following the process outlined above for all properties. The City Manager's Office will be informed as to the original purpose for acquiring the property and the source(s) of funds used for acquisition of the property.

2. The department with control over the property shall work with the Law Department to determine which category of property the disposal should fall within (strips of land, convey with restrictions, convey with limited or good title) and follow that process to the greatest extent practical.

3. If the process for disposal should, in the opinion of the department and the Law Department, differ from that set forth in this Administrative Memorandum, the two departments shall work with the City Manager's Office to determine the best course of action to dispose of such property at the greatest benefit to the City. In making such determination, the decision shall not be guided only by the amount of revenue that may be generated, but other priorities and policies shall also be considered.

Properties which must be conveyed with restrictions

1. The department with control over the property shall identify special requirements or restrictions that should be placed on the property through covenants or other deed restrictions. Such department will work with the Law Department to develop appropriate language to be used in such restriction. Public Works will prepare the legal description of the area of the property on which such restriction is to be placed.
2. The consideration to be received by the City for such property should reflect the reduced future use due to restrictions placed on the property.
3. Restrictions shall include the ability of the City to enforce such restrictions or regain control of the property should the successful applicant fail to comply with restrictions.

Properties for which the City may only convey quit claim title

1. The department with control over the property shall identify special requirements or restrictions that should be placed on the property through covenants or other deed restrictions.
2. The department with control over the property shall work with the Law Department to determine the ability of the City to convey title to a potential purchaser and the quality of that title. Any contact with a potential purchaser with interest in property to be disposed of shall disclose the opinion on title.

Properties for which the City may title with no or limited restrictions

1. The department with control over the property shall identify special requirements or restrictions that should be placed on the property through covenants or other deed restrictions and work with the Law Department on appropriate language for such restriction. The department with control shall also work with the Department of Building Development Services to determine if the property constitutes a buildable lot for private party use.
2. The department with control over the property shall also communicate to the City Manager's office the reason why property that is buildable should be sold under this Memorandum rather than Administrative Memoranda #5 and #5A. By way of example, the cost of an appraisal (and or property description & survey) may be more than the City would receive after all expenses of sale, including the repayment of the sales revenue to earmarked revenue source funds, and would justify selling the property under this Memorandum.