

Ordinance 2017-06

SHORT TITLE:

An ordinance amending Provo City Code Section 3.04.030 (Disposal of Property – Surplus Property List). (17-032)

I

PASSAGE BY MUNICIPAL COUNCIL

ROLL CALL

DISTRICT	NAME	FOR	AGAINST	OTHER
CW 1	DAVID SEWELL	✓		
CW 2	GEORGE STEWART	✓		
CD 1	GARY WINTERTON	✓		
CD 2	KIM SANTIAGO	✓		
CD 3	DAVID KNECHT	✓		
CD 4	KAY VAN BUREN	✓		
CD 5	DAVID HARDING	✓		
TOTALS		7	0	0

This ordinance was passed by the Municipal Council of Provo City, on the 21st day of February 2017, on a roll call vote as described above. Signed this 01 March 2017.



Chair

II

APPROVAL BY MAYOR

This ordinance is approved by me this 6 March 2017.



Mayor

Ordinance 2017-06

III

CITY RECORDER'S CERTIFICATE AND ATTEST

This ordinance was signed and recorded in the office of the Provo City Recorder on the 7th day of March, 2017, with a short summary being published on the 25th day of February, 2017, in The Daily Herald, a newspaper circulated in Provo, Utah. I hereby certify and attest that the foregoing constitutes a true and accurate record of proceedings with respect to Ordinance Number 2017-06.





City Recorder

ORDINANCE 2017-06.

AN ORDINANCE AMENDING PROVO CITY CODE SECTION 3.04.030
(DISPOSAL OF PROPERTY – SURPLUS PROPERTY LIST). (17-032)

WHEREAS, Provo City Code Section 3.04.030 outlines the procedure to surplus real property; and

WHEREAS, it is proposed that Section 3.040.030 be amended to retain approved property on the surplus list more easily and to reflect updated values based on increased real property market values; and

WHEREAS, on February 21, 2017, the Municipal Council held a duly noticed public meeting to ascertain the facts regarding this matter, which facts are found in the meeting record; and

WHEREAS, after considering the facts presented to the Municipal Council, the Council finds the ordinance, as set forth below, reasonably furthers the health, safety and general welfare of the citizens of Provo City.

NOW, THEREFORE, be it ordained by the Municipal Council of Provo City, Utah, as follows:

PART 1:

Provo City Code Section 3.04.030 (Disposal of Property – Surplus Property List) is hereby amended as follows:

3.04.030. Disposal of Property - Surplus Property List.

(1) There is hereby created a list to be known as the surplus property list, the same to be maintained by the City property manager, upon which are specifically or categorically described items of real and personal property which the Municipal Council, by resolution, has approved for sale, trade, encumbrance or other action divesting Provo City of an ownership interest.

(2) Before a significant parcel of real property is placed on the surplus property list, reasonable notice of the proposed disposition shall be provided at least fourteen (14) days in advance to allow an opportunity for public comment on the proposed disposition. For purposes of this Subsection:

- (a) "Reasonable notice" means:
 - (i) posting notice of a proposed disposition in at least three (3) public places within the City; and
 - (ii) publishing the notice in the newspaper of general circulation in the City.

- (b) "Significant parcel of real property" means a parcel of real property owned by the City with a reasonable value equal to or greater than one million dollars (\$1,000,000.00) ~~five hundred thousand dollars (\$500,000.00).~~

(3) Surplus real property shall remain on the surplus property list until disposed of, unless the resolution to surplus the property expressly provides otherwise or the Municipal

47 **Council later acts to remove the real property from the surplus property list.** ~~not sold by~~
48 ~~the end of each fiscal year shall be removed from the surplus property list, unless the~~
49 ~~resolution surplussing the property expressly provides otherwise, or unless said removed~~
50 ~~property is again added to the surplus property list by Municipal Council resolution.~~

51 (4) Unless otherwise provided by resolution, personal property upon the surplus property
52 list is approved by the Municipal Council for sale, and shall be sold by public auction
53 conducted in a commercially reasonable manner, with the time and place of auctions
54 being as directed by the Mayor. All personal property with a value of two thousand
55 dollars (\$2,000.00) or less is excluded from provisions of this Section and may be
56 disposed of at the discretion of the Mayor.

57 (5) Unless otherwise provided by resolution, real property upon the surplus property list
58 is approved by the Municipal Council for sale and shall be sold for cash for:

59 (a) not less than the purchase price originally paid by Provo City; and

60 (b) not less than ninety (90) per cent of fair market value, with fair market value
61 being determined by:

62 (i) not less than one (1) certified real estate appraiser if the fair market value is
63 determined to be less than **two hundred fifty thousand dollars (\$250,000.00)**
64 ~~one hundred thousand dollars (\$100,000.00)~~; or

65 (ii) not less than two (2) certified real estate appraisers, if the fair market value
66 is determined to be **two hundred fifty thousand dollars (\$250,000.00)** ~~one~~
67 ~~hundred thousand dollars (\$100,000.00)~~ or more.

68 (c) Subsections (a) and (b) shall not apply to exempt properties with a value of **fifty**
69 **thousand dollars (\$50,000.00)** ~~ten thousand dollars (\$10,000.00)~~ or less as set forth
70 on the surplus property list. The general terms of sale, which shall not be
71 inconsistent with a cash sale at fair market value as provided above, shall be within
72 the discretion of the Mayor.

73 (6) Property placed upon the Surplus Property List for purposes of sale, trade,
74 encumbrance or other action divesting Provo City of an ownership interest shall be acted
75 upon by the Mayor consistent with the provisions of the resolution placing the property
76 upon the surplus property list.

77 (7) Notwithstanding other provisions of this Section, the Mayor may without prior
78 approval enter into written contracts to sell, trade, or take other action divesting Provo
79 City of an ownership interest, with respect to property which is not on the surplus
80 property list, but such a contract shall expressly provide that it shall not be effective until
81 approved by the Municipal Council. Such a contract shall not be effective until it has
82 been expressly approved by a written resolution of the Municipal Council and when so
83 approved such a contract may contain any reasonable terms or conditions not otherwise
84 inconsistent with law.

85 (8) Sales of real properties with a value under **twenty five thousand dollars (\$25,000.00)**
86 ~~five thousand dollars (\$5,000.00)~~ are exempt from the provisions of this Section and may
87 be disposed of at the discretion of the Mayor.

88 (9) The Mayor shall provide to the Municipal Council an annual report, no later than the
89 first Council meeting in the month of December, detailing all real properties sold, traded,
90 encumbered or divested by the administration over the past year, which report shall
91 contain:

92 (a) property names and addresses;

- 93 (b) the approximate size of each property;
94 (c) the acquisition amount paid for each property and acquisition date;
95 (d) surplus date;
96 (e) all appraisals and estimates, if any;
97 (f) the consideration received in the sale of each property;
98 (g) the names of buyer(s) involved in each transaction; and
99 (h) the date of sale.

100

101 PART II:

- 102 A. If a provision of this ordinance conflicts with a provision of a previously adopted
103 ordinance, this ordinance shall prevail.
104
105 B. This ordinance and its various sections, clauses and paragraphs are hereby declared to be
106 severable. If any part, sentence, clause or phrase is adjudged to be unconstitutional or
107 invalid, the remainder of the ordinance shall not be affected thereby.
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109 C. The Municipal Council hereby directs that the official copy of the Provo City Code be
110 updated to reflect the provisions enacted by this ordinance.
111
112 D. This ordinance shall take effect immediately after it has been posted or published in
113 accordance with Utah Code 10-3-711, presented to the Mayor in accordance with Utah
114 Code 10-3b-204, and recorded in accordance with Utah Code 10-3-713.

115

116 END OF ORDINANCE.