



Legislation Text

File #: 66154, Version: 1

**Fiscal Note**

The proposed resolution does not require additional City appropriation.

**Title**

Amending Section 8.075 of the Madison General Ordinances to incorporate equity concepts, and economic feasibility review.

**Body**

DRAFTER'S ANALYSIS: This amendment is made in an effort to incorporate equity concepts, and to clarify definitions. Importantly, the amendment requires an equity analysis prior to the disposition of surplus property, and a diverse committee to review proposed uses for surplus property.

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The Common Council of the City of Madison do hereby ordain as follows:

Section 8.075 entitled "Disposal of Surplus City Real Property" of the Madison General Ordinances is amended as follows:

**"8.075 - DISPOSAL OF SURPLUS CITY REAL PROPERTY.**

(1) Definitions.

"City dDepartment" includes City agencies, departments and divisions, but does not include the City's Community Development Authority ("CDA"), Parking Utility, Water Utility, Sewer Utility, or Stormwater Utility (the "Utilities").

"Surplus Real pProperty" includes land, air rights, subterranean rights, and appurtenances conveyed with and/or affixed to the land (e.g., buildings)-, used by a City Department in the performance of its normal functions, but specifically excludes real property acquired for the purpose of economic development including, but not limited to, properties acquired through the land banking program, whether or not such real property is used by a City Department during the City's ownership.

(2) Surplus Property Notification. When a City dDepartment determines real property surplus to its needs, the City dDepartment shall provide written notice to the Director of the Economic and Community Development Division (EGDD). The written notification shall include maps, plats, or other drawings showing the surplus property, a legal description of the property and any restrictions or conditions as may be recommended or suggested for incorporation into the conveyance instrument.

(3) Surplus Property Disposal Method Determination. The EGDD Director shall determine the method of disposal for the surplus property using the following procedures:

- (a) If there is an approved City plan or project for which the sSurplus Real pProperty is needed, the property shall be conveyed/transferred to the appropriate City dDepartment, CDA or Utility, subject to any restrictions or conditions authorized by a resolution or ordinance adopted by the Common Council.
- (b) If sub. (a) does not apply, the EGDD Director shall provide written notification to all City d

Departments, the CDA and Utilities of the availability of the ~~s~~Surplus Real pProperty and request an indication of interest from each City dDepartment, CDA ~~or~~and Utility's ~~interest~~ in the property or its knowledge of any restrictions or conditions which should be placed on the property if disposal proceeds.

1. If only one (1) City dDepartment, CDA or Utility expresses interest in the property, the property shall be conveyed/transferred to that City dDepartment, CDA or Utility.
  2. If two (2) or more City dDepartments, CDA or Utilities express interest in the property, the requests shall be reviewed by the City Engineer. Its recommendations shall be forwarded to the Common Council for a decision. The ~~s~~Surplus Real pProperty shall then be conveyed/transferred to the appropriate City dDepartment, CDA or Utility, subject to any restrictions or conditions authorized by resolution adopted by the Common Council.
- (c) Economic Feasibility Analysis: The EDD Director, or its designee, shall conduct an economic feasibility analysis (the "EFA") to determine potential viable and independent uses for the property. If none, then subsection (e) may be used for disposal of the Surplus Real Property.
- (d) If the plan or project in subsection (a) did not undergo an equity analysis, then an equity analysis must be completed before proceeding. This analysis is intended to give guidance on equity issues affecting the plan or project, or on best uses of the property, consistent with the EFA, to serve under-represented communities, and help form a RFP process to get a diverse response pool under subsection (d).
- (~~ee~~) If subs. (a) and (b) do not apply, In the event the Economic Feasibility Analysis determines that the Surplus Real Property is not independently developable, then the EG DD Director and the Director of the Department of Planning and Economic and Community Development ("DPECD"), after consultation with the Alderperson of the aldermanic district within which the Surplus Real pProperty is located, shall determine if it is in the best interests of the City to sell the Surplus Real pProperty by direct sale to either tenants who currently lease or occupy the Surplus Real pProperty, tenants who currently lease or occupy an abutting property located within the City of Madison, or to owner(s) of an abutting property located within the City of Madison. If it is determined, in the opinion of the Alderperson, that such a sale is in the best interests of the City, and there is only one party interested in purchasing the Surplus Real pProperty, the intent to sell the property in this way and the terms and conditions of the sale shall be submitted to the Common Council for approval. If more than one of the prospective purchasers described in this subdivision express interest in the property, the procedures described in sub. (d) shall apply, except that the Committee described in sub. (~~df~~) may limit bids to these prospective purchasers.
- (~~df~~) If subs. (a), and (b) do not apply, and following compliance with subs. (c) and (d) do not apply, the EGDD and DPECD Directors, after consultation with the Alderperson of the aldermanic district within which the sSurplus Real pProperty is located, shall determine if it is in the best interests of the City, based upon the findings of the EFA and equity analysis, to dispose of the Surplus Real pProperty either by direct sale or through a public bid process. If it is determined that it is in the best interests of the City to dispose of the property by direct sale, the terms and conditions of the sale shall be submitted to the Common Council for approval. If it is determined to be in the best interests of the City to dispose of the property through a public bid process, staff shall create a Request

for Proposals (“RFP”), incorporating recommendations from the equity analysis. †The Mayor shall create a Criteria and Selection Committee (“Committee”) and appoint the members who shall perform the duties herein described.

1. Committee Membership. It is the City’s desire to have a Committee that is diverse in race, ethnicity, and gender. The Committee shall consist of at least five (5) persons, including:
  - a. The Alderperson of the aldermanic district in which the Surplus Real pP property is located;
  - b. Two (2) additional Alderpersons;
  - c. A representative of the Mayor (either staff or resident); and
  - d. A resident of the neighborhood.

The number of Committee members may be increased but shall not exceed seven (7) members. The Real Estate Manager shall be responsible for staff support to the Committee, communications with potential bidders, and the technical details of the public bid proposal process.

2. Committee Duties and Responsibilities. The Committee shall be responsible for the following:
  - a. Identification of the type of use desired for the sSurplus Real pP Property and any special terms or conditions that are important to the City.
  - b. Establishment of criteria with point values to be used in the evaluation of bid proposals submitted by potential purchasers of the Surplus Real pP property.
  - c. Evaluation of the bid proposals submitted by potential purchasers and selection of the purchaser.
3. Common Council Concurrence. Once the Committee establishes the criteria and point values, the Real Estate Manager shall prepare a resolution for introduction to the Common Council directing the Real Estate Manager to proceed with the public bid process for the sale of the sSurplus Real pP Property.
4. Bid Proposal Selection. The Committee shall receive, open, and evaluate the bid proposals subject to the selection criteria and point values. The Committee may request additional information from the bidders or City staff prior to selection of a bid proposal. The Committee may select the bid proposal that it determines to be in the best interests of the City regardless of whether it has the highest point value. The Committee shall reserve the right to reject any and all bid proposals. Upon selection of a bid proposal, the Real Estate Manager shall prepare a resolution for adoption by the Common Council accepting the Committee's selection and authorizing the sale of the sSurplus Real pP Property.
5. Surplus Property Conveyance. The sSurplus Real pP Property shall be conveyed to the selected purchaser by Quit Claim Deed, subject to any restrictions, terms, and conditions of sale adopted by the Common Council.”