

ORDINANCE NO. 5637

**ORDINANCE TO AMEND CHAPTER 2, ARTICLE V, DIVISION 2,
RELATIVE TO SALE OF CITY OWNED PROPERTY FOR FAIR MARKET
VALUE**

WHEREAS, City Ordinances prescribe a procedure for the sale of surplus real property owned by the City for fair market value;

WHEREAS, the Council desires to amend the procedure for the sale of surplus real property owned by the City for market value to provide a more comprehensive and efficient procedure.

NOW, THEREFORE BE IT ORDAINED BY THE MEMPHIS CITY COUNCIL as follows:

Section 1. Section 2-291(A) of the City's Code of Ordinances is hereby deleted and replaced with the following provisions:

A. Sale of real property for market value.

1. The city real estate manager shall place a value on all properties being considered for sale in the manner herein determined. On all properties having an estimated and probable value of \$10,000.00 or less the City Real Estate Manager shall place a value on all such properties without obtaining an independent appraisal unless the real estate manager determines that an independent valuation is needed, in which event the services of a qualified independent real estate appraiser may be obtained.

2. On all properties having an estimated and probable value greater than \$10,000.00 the value for sale purposes shall be determined by one or more qualified independent real estate appraisers as the real estate manager shall determine.

3. After a valuation has been placed on any to be sold, either by the city real estate manager or by appraisal, the city real estate manager shall be authorized to sell any such property subject to the approval of the City Council by resolution, except that for any property with a designated value of \$20,000 or more the City Real Estate Manager shall use the procedure specified in subsection 4 hereof.

4. For any property having a designated value of \$20,000 or more, the Real Estate Manager shall advertise for bids to purchase said property, which advertisement shall specify the purchase price, terms of the sale and potential uses of said property consistent with uses of surrounding properties. The advertisement shall reserve the right to reject any

and all bids submitted by prospective purchasers. All bids submitted by prospective purchasers shall specify the purchase price, terms of the sale and intended uses of said property consistent with prevailing land use patterns and shall also include earnest money in good and sufficient funds, which may be forfeited for failure to follow through with the purchase of the property, if approved by the City Council.

5. For any properties proposed to be sold for market value pursuant to this subsection A, the City Real Estate Manager shall make a recommendation to the City Council for the sale of any such properties, which shall be presented to the City Council at least fourteen (14) days before being considered by the Council as an agenda item. The Council may expedite its consideration in the event it determines that an expedited hearing is desirable.

6. The City Council shall approve the sale of all properties proposed to be sold for market value by resolution; provided, however that the City Council may in its legislative discretion reject any proposed sale or order re-bidding the sale of any property. The City Council's approval of the sale of any property for fair market value shall be final.

7. The Division of Planning and Development shall assist the City Real Estate Manager in identifying potential highest and best uses for City owned properties consistent with prevailing land use patterns or other strategic considerations. The Real Estate Manager shall provide a list of such properties to the City Council at the beginning of each calendar year.

Section 2. Effect of Amendment. As amended hereby Chapter 2, Article V, Division 2 of the City Code is hereby ratified and confirmed in all other respects.

Section 3. Severability. The provisions of this Ordinance are hereby severable. If any of these sections, provisions, sentences, clauses, phrases, or parts are held unconstitutional or void, the remainder of this Ordinance shall continue in full force and effect.

Section 4. Effective Date. This Ordinance shall take effect from and after the date it shall have been passed by the Council, signed by the Chairman of the Council, certified and delivered to the Office of Mayor in writing by the comptroller and become effective as otherwise provided by law.

SPONSOR:
KEMP CONRAD

THE FOREGOING ORDINANCE PASSED
5637
1st Reading 12-20-2016
2nd Reading 01-03-2017
3rd Reading 02-07-2017
Approved: [Signature]
Chairman of Council
Date Signed: 2/21/2019
Approved: [Signature]
Mayor, City of Memphis
Date Signed: 2/23/17

I hereby certify that the foregoing is a true copy, and said document was adopted by the Council of the City of Memphis as above indicated and approved by the Mayor.

[Signature]
Comptroller