



Agenda Item Details

Meeting	Jan 16, 2019 - City Commission Retreat
Category	1:00 Target Issues
Subject	6. Discussion of Public Notices for Sale of City Surplus Property -- Wayne Tedder, Assistant City Manager
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Dollar Amount	435.00
Budgeted	No
Budget Source	City Real Estate Department
Recommended Action	Option 5: Commission direction.

Public Content

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Statement of Issue

At the December 5, 2018 City Commission meeting, staff was asked to provide an analysis of expanding written notices for sale of City property an additional 500 feet, notice tenants within the selected area and publication of notices in a second newspaper.

Recommended Action

Option 5: Commission direction.

Fiscal Impact

The current cost of providing notices is estimated to be \$270 per proposed sale. The Real Estate Department pays for all public notification costs associated with the sale of surplus property. The estimated cost anticipated with expanding the notification radius to property owners is \$200 per proposed sale. The fiscal impact of providing notice in a second newspaper is estimated to be \$35 per proposed sale. The placement of a sign as identified within this agenda is estimated to cost up to \$200 per property sale depending on the size of the sign.

Supplemental Material/Issue Analysis

History/Facts & Issues

The City averages approximately two real estate sales of surplus land each year. The sale of City property is governed by the Real Estate Policy, Policy #136 (Attachment 1), which was initially adopted on September 27,

1989. To date, seven revisions to the original policy have been approved; 1990, 1996, 2005, 2006, 2010, 2017, and 2018.

As part of the 2017 revisions, staff completed a review of the Real Estate Policy to ensure compliance with applicable laws/statutes and consistency with other governmental entities' policies. Staff further reviewed the Real Estate Policy to ensure that guidelines and procedures were current, applicable, efficient and provides for the effective review and documentation of all real estate activities associated with the City of Tallahassee. One such revision included amendments to Section 136.13 regarding Sale or Disposition of City-owned Surplus Property.

Section 136.13 of the Real Estate Policy requires that all property owners within at least 500 feet of the subject property be notified at least three weeks prior to the proposed sale of City property being considered by the City Manager or City Commission. This notification is accomplished through a Notice to Property Owners (Attachment 2) mailed by Real Estate Management staff. Expanding notices an additional 500 feet (1,000 feet total) is estimated to cost an additional \$200 per property sale.

Staff was also asked to provide an analysis for notification of tenants when the City offers the sale of a surplus property. As stated in the development review notices agenda, the most effective tool that the City has, in order to notice tenants in an area, is through utility customer service accounts. Where, both residential and nonresidential tenants have utility accounts, the City can provide reasonable assurance that "a" tenant can be noticed of a pending City action. However, if multiple tenants live in a dwelling unit or lease space within a nonresidential space and/or do not have a utility account (i.e., utilities are included in the lease agreement), then the City will not be able to provide notice to these tenants. In higher density (student housing or multiple tenants) and higher intensity areas (where multiple office and/or commercial tenants exist), the ability for the City to provide notification to all tenants is greatly diminished as every tenant will not be a utility customer. For this reason, providing a dependable uniformed tenant notice can not occur. Therefore, staff does not recommend providing a tenant based notice system. However, should the commission direct staff to provide a tenant based notice system to enhance notification to a broader (not complete) base, notice in lower density and intensity areas (including tenants in the expanded mailing radius) will approximately double the average number of people that would be notified and approximately double the cost (an additional \$100 for the expanded postage cost per property sale). In the more dense and intense locations with apartment and condominium complexes and office and commercial spaces, the costs would significantly increase beyond current estimates assuming a tenant in all dwelling units and leasable nonresidential units could be identified.

Policy 136.13 also requires staff to provide notice of the proposed sale through a legal advertisement in the local newspaper (Attachment 3) and on the City of Tallahassee website (www.talgov.com) at least three weeks prior to the proposed sale being considered for approval. The Policy does not define "local newspaper," however, staff currently advertises in the Tallahassee Democrat as it is the only daily paper in our community, its circulation is more than double the largest weekly paper in Tallahassee. Based on that definition, staff recommends that the Tallahassee Democrat should remain the primary newspaper used for providing public notices. Further, Staff recommends that the Capital Outlook also be used to provide public notices. The Capital Outlook is distributed weekly to approximately 5,000 subscribers. Staff estimates that the added cost for advertisement in the Capital Outlook would be \$35 per property sale.

In addition to mailed notices, newspaper advertisements and posting on the City's website, the City provides additional resources to citizens regarding City property including the Real Estate Sales webpage and the Real Estate Inventory Interactive Map.

Real Estate Sales online - Citizens may access the Real Estate Sales page online at <http://www.talgov.com/realestate/res-surplus.aspx> for easy access to information on potential sale of City-owned property including public notice of the proposed sale, and information related to projects associated with the property. A screenshot of the interactive map is provided as Attachment 4.

Real Estate Inventory Interactive Map – All City-owned property is shown on an interactive map within the Real Estate Inventory page at http://www.talgov.com/gis/real_estate/. A screen shot of the interactive map is provided at Attachment 5. Once a parcel is selected, citizens are provided with a detail box which includes information relating to the property such as date acquired, acreage, reason for acquisition, etc.

While mailed notices are an effective method to reach property owners, Real Estate Management could also use public notice signs placed at the site in order to enhance notifications to persons who are renters or tenants of properties in close proximity to the proposed property for sale. A draft copy of a proposed sign is included as Attachment 6. Providing a sign at the subject property is estimated to cost an additional \$200 per property sale.

Should the commission increase notification requirements, staff would seek all notification costs from the buyer of the subject property.

Options

1. Maintain notice as currently provided.

Pro:

- No additional costs for expanding mailing radius, signage, or secondary newspaper advertisement.

Con:

- Does not provide additional outreach for proposed sales.
- Does not provide for tenants to be notified.

2. Direct staff to expand from the current minimum 500-foot mailing radius of public notices for the sale of City property to property owners to a minimum of 1,000 feet and to process the necessary revisions to the City Commission Real Estate Policy (Policy 136).

Pros:

- Expanding the mailing radius by 500 additional feet is estimated to more than double the number of properties that would receive notice of proposed sales.

Con:

- Approximately \$300 in additional costs per proposed property sale (\$200 for expansion of notice).

3. Direct staff to post signage on the surplus property being considered for sale a minimum of three weeks prior to the action being considered by the approval authority, i.e., City Manager or City Commission.

Pro:

- Provides another resource of community outreach for proposed sales.

Con:

- Approximately \$200 in additional costs per proposed property sale.

4. Direct staff to procure advertising of the potential sale of surplus property in the Capital Outlook in addition to the current advertising in the Tallahassee Democrat.

Pro:

- Adding a second newspaper advertisement would provide greater notice to the community concerning proposed City property sales.

Con:

- The addition of a second newspaper advertisement would increase the legal notice fee by an estimated additional \$35 per proposed sale.

5. Commission direction.

Attachments/References

1. Real Estate Policy, Policy #136
2. Notice To Property Owners
3. Newspaper Notice
4. Real Estate Sales Webpage
5. Interactive Real Estate Inventory Map
6. Public Notice Sign

[Attachment 1 - Real Estate Policy.pdf \(288 KB\)](#)

[Attachment 2 - Notice to Property Owners.pdf \(385 KB\)](#)

[Attachment 3 - Newspaper Notice.pdf \(482 KB\)](#)

[Attachment 4 - Real Estate Sales Webpage.pdf \(235 KB\)](#)

[Attachment 5 - Real Estate Inventory Map.pdf \(453 KB\)](#)

[Attachment 6 - Public Notice Sign.pdf \(296 KB\)](#)