

**RESOLUTION NO. 83-038**


ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO  
ON DATE OF

August 23, 1983

PROCEDURE FOR THE DISPOSAL  
OF HOUSING AUTHORITY SURPLUS LAND

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF  
SACRAMENTO:

Section 1. The Executive Director is authorized to  
dispose of surplus and/or excess Housing Authority property  
pursuant to procedures specified in "Disposal of Housing Author-  
ity Surplus Land", attached to this Resolution as Exhibit A.

  
CHAIRMAN

ATTEST:

William H. Elyan  
SECRETARY

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# DISPOSAL OF HOUSING AUTHORITY SURPLUS LAND

## Introduction

The following procedures for disposal of Housing Authority surplus land are intended to comply with Section 54220 of the Government Code and the Health and Safety Code Section 34315.7. It is a two-step process involving first, an offering only to developers of low and moderate income housing and housing generally, and second, an auction to the highest bidder. A staff report and Authority resolution will be required first, to declare the property "surplus" and second, to approve final disposition.

## Priorities

Housing Authority surplus property shall be disposed of for the following purposes, in descending order of priority:

1. To public or private developers for low and moderate income housing and mixed income residential projects where at least 20% of the units are low/moderate units consistent with the adopted City Housing Assistance Plan;
2. To private developers for development of housing generally; and
3. At public auction to the highest bidder for any purpose.

## Procedure

- I. Obtain an appraisal for the property.
- II. Staff report and resolution to the Authority, declaring the land as "surplus" and authorizing the Executive Director to advertise it for sale pursuant to these procedures.
- III. Offer to sell the property at appraised market value for low and moderate income housing and for housing generally.
  - A. Staff shall prepare a notice and publish it once in several newspapers of general circulation (i.e., Bee, Union), specifying that priority for accepting an offer will be first to a developer of low and moderate income housing and second, to a developer of housing generally. The ad should include the following.
    1. The location and a general description of the property;
    2. The appraised value of the property or an amount below the appraisal, if necessary to ensure interest and participation in the project.
    3. The name, address and telephone number of Agency staff who can provide more information regarding the property;
    4. Date and method for submitting offers. At least two weeks should be permitted to submit responses.

- B. Notice of the public sale shall be posted in three or more places, i.e., Agency bulletin board on the first floor, City Hall bulletin board, County Building bulletin board, and Post Office bulletin board simultaneously with newspaper publication of notice.
  - C. Post "FOR SALE" signs on the property, containing notice of the public sale.
  - D. Telephone or write people/companies who Agency staff believe may be interested in purchasing the property and notify them of the public sale.
  - E. If one or more acceptable responses to the advertisement are received, staff will prepare a report recommending approval of a response. First priority must be given to a response which proposes to develop low and moderate income housing. If more than one offer for low and moderate income housing is received, staff may use criteria such as project feasibility, to select one of the offers.
  - F. If a response which proposes to develop low and moderate income housing is accepted, an agreement must be included which will assure that the property is, in fact, used for that purpose.
  - G. If a response is accepted which proposes to develop housing generally, an agreement must be entered into, assuring that the property is used for that purpose.
- IV. If no acceptable responses are received to the above offer, the property shall be sold to the highest bidder at public acution.
- A. Staff will prepare a report and resolution authorizing the Executive Director to sell the property to the highest bidder at public auction.
  - B. Staff will prepare a notice and publish it, once a week for three consecutive weeks, in a paper of general circulation advertising the public auction.
  - C. The same posting and telephone/writing notice procedures as outlined in Sections III B, C, and D above will also be followed.
  - D. Prepare a form "WRITTEN BID FOR PURCHASE OF REAL PROPERTY" including an envelope addressed to the proper entity showing "SEALED BID FOR AUTHORITY PROPERTY AT \_\_\_\_\_ TO BE OPENED AT \_\_\_\_\_ A.M./P.M., \_\_\_\_\_, 1983".
  - E. Day of public auction: The property will be sold to the highest bidder, providing the highest bid is not less than the appraised value for the property; however, the sale price may be at an amount below the appraised value of the proper, if necessary to ensure interest and participation in the project.

- F. Before any written proposal is accepted, Authority will call for oral bids. An oral bid may be made only by a person who has submitted a written proposal which complies with the requirements of the notice. The first oral bid for said real property must exceed the highest written proposal by at least five percent (5%).
- G. If there are no acceptable bids, the property will be retained by the Authority for possible future use or later sale.

PROCEDURE FOR REMNANT PARCELS

From time to time, in the purchase of a project site, a small, unusable by itself, portion of property will be declared "surplus". The highest and best use of this type of property is plottage to an adjacent property. The procedure is:

1. Staff report and resolution to the Authority, declaring the land as surplus and authorizing the Executive Director to
  - a. Offer to "sell" the property to the adjacent property owner(s) for some reasonable value. "Reasonable" may be defined as some equitable form of exchange, i.e., maintenance of surplus land, fencing-in, etc.
  - b. Transfer of title will be by recorded Quitclaim Deed and Agreement for Sale of Real Property containing all necessary conditions to the transfer.
2. Should the offer to purchase be rejected by adjacent property owners, the property will be retained by the Authority for possible future use, later sale, or some approved alternative use.