

## CHAPTER 11

### DISPOSAL OF PUBLIC PROPERTY

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7-11-1: **PURPOSE:** The purpose of this Chapter is to establish rules and regulations for the disposal, lease and/or sublease of public property in accordance with Utah Code §10-8-2. All disposal of public property, except property that is consumed in normal operations, shall be disposed of or released to ownership by anyone other than the City, except as provided under the rules and regulations of this Chapter.

7-11-2: **DEFINITIONS:** The following words and phrases shall be defined as follows for the purpose of this Chapter. Unless specifically defined below, words or phrases used in this Chapter shall be interpreted to give them the meaning they have in common usage and to give this Chapter its' most reasonable application.

Capitalized Personal Property: Those items with a cost value of five thousand dollars (\$5,000) or more and listed on the depreciation schedule.

City: Providence City

Depreciation Schedule: The table of annual apportionments of the depreciable costs of tangible capital assets used by the Providence City Recorder and Independent Auditors in preparing the financial statements for the City.

Disposition: To transfer control of City owned property to another person by means including, but not limited to, sale, lease, or other type of conveyance of such property.

Non Capitalized Personal Property: Those items with a cost value of less than five thousand dollars (\$5,000) and not listed on the depreciation schedule.

Person:	Any business, individual, union, committee, club, other organization, or group of individuals.
Public Property:	Any item of real or personal property owned by the City.
Reasonable Notice for the Disposal of a Significant Parcel of Real Property:	Publish a notice, at least 14 days prior to the public hearing, on the City's website and in a newspaper of general circulation
Significant Parcel of Real Property:	A parcel of real property owned by the City, that is one-quarter acre or larger, and has an appraised value of \$25,000 or greater.
Surplus Property	Any item of real or personal property owned by the City declared to be of no significant value or use to the City.

7-11-3: **CAPITALIZED PERSONAL PROPERTY:**

- A. The Mayor or Administrative Services Director shall prepare and present a listing to the City Council of the City owned property which he/she feels is no longer needed by the City and which can be declared surplus.
- B. The City Council may, at a regular council meeting, declare the items to be surplus and shall establish a minimum bid for the sale of such property.
- C. The City shall advertise through public notice, on the City's web site and in a newspaper of general circulation, the sale of any capitalized personal property. The notice may be general in nature without listing each item individually; and should give the information necessary to submit a bid. Submitted bids will not be required for items valued at less than \$100.
- D. Bids shall be opened and read before the public. The sale of items shall be made to the highest bidder.
- E. Any capitalized personal property that is not sold through the bidding process, may be disposed of in a manner acceptable to the Mayor and Administrative Services Director.
- F. Notwithstanding anything to the contrary herein, surplus property disposed of pursuant to this section shall first be offered to city employees and city contract providers, and if not disposed of (subject to the conditions of this Section), then the surplus property shall be offered to the public pursuant to the conditions of this Section.

7-11-4: **NON CAPITALIZED PERSONAL PROPERTY:**

- A. The Mayor and Administrative Services Director may approve the disposal of all non capitalized personal property.
- B. The Department Head will determine if the property is non-repairable or of no further value to the City.

- C. The Department Head will provide a list of the items proposed for disposal to the Mayor and Administrative Services Director. The list will be signed by the Department Head and the Administrative Services Director.
- D. A copy of the signed list of approved items for disposal will be given to the City Recorder to be added to the listing of disposed items.
- E. Upon approval of the Mayor and Administrative Services Director, the Department Head may dispose of the items in any manner that is deemed appropriate.
- F. Notwithstanding anything to the contrary herein, surplus property disposed of pursuant to this section shall first be offered to city employees and city contract providers, and if not disposed of (subject to the conditions of this Section), then the surplus property shall be offered to the public pursuant to the conditions of this Section.

7-11-5: **REAL PROPERTY:** The disposal of all real property shall be approved by the City Council.

- A. If the real property is not a “significant parcel of real property” as defined in Section 2:
  - 1. The Mayor and Administrative Services Director may, but shall not be required to obtain from a certified public appraiser an appraisal of the property to be disposed of.
  - 2. The Council may assigned, two or more representatives of the City to negotiate and consummate the sale of a parcel of land, with or without a building, with an individual, group, corporation, or consortium.
- B. If the real property is a “significant parcel of real property” as defined in Section 2:
  - 1. The City shall provide reasonable notice as defined in Section 2.
  - 2. After providing reasonable notice, the City Council shall hold a public hearing to receive comment on the proposed disposition.
  - 3. After holding a public hearing, should the City Council decide to continue with the disposition of the real property, it shall be in a manner established by the Council such as: a sealed bid process, listing with a broker, auction, or private negotiations.
    - a. The City Recorder shall publish notice on the City’s website and in a newspaper of general circulation which shall describe the property to be sold, the minimum asking price of the property, which may be set by appraisal, the date and time bids shall be submitted and any other information pertinent to the property being sold.
    - b. The City Council shall review bids in a setting of their choice.
    - c. Disposal of real property shall be made on the basis of bid amount, future use of the property, and any other factors the City Council deems to be in the best interest of the City.

d. The City Council has the right to reject any and all bids.

7-11-6: **Leasing of City Property:** The City at the direction of the City Council, may lease or sublease any of the City property under fair and appropriate conditions, considering the intended use and value and the best interests of the City.

A. If the lease or sublease has a reasonable yearly rental value equal to or less than \$5,000 per year, the Mayor and Administrative Services Director may authorize the lease or sublease.