

City Commission Policy 136

Real Estate Policy

DEPARTMENT: Real Estate Management

DATE ADOPTED: September 27, 1989

DATE OF LAST REVISION: May 13, 2020

136.01 Purpose, Authority and Scope.

The purpose of this policy is to establish the delegation of authority for conveyances of interest in real estate involving the City of Tallahassee ("City"), including, but not limited to, acquisitions, sales and dispositions, licenses, sidewalk leases, leases to others of real estate owned by the City and leases to the City of real estate owned by others, and all property management activities.

The intent and scope of the policies and procedures contained herein shall govern all City real estate functions. The City's Real Estate Management Department shall implement the policy and procedures contained herein, except where specifically exempted by the City Manager.

136.02 General Statement of Intent.

The intent of this policy is to ensure proper accountability for any real estate transaction involving the City and to ensure proper management of any real estate owned or leased by the City. Further, this policy shall be followed, along with all applicable laws and professional ethics, to ensure fair and equitable treatment to the City, the general public, and all affected property owners.

136.03 Summary of Approval Authority.

1. Department Heads are authorized to approve the following real estate transactions subject to the approval limits set forth herein:
 - a. All acquisitions of real estate where the purchase price does not exceed \$25,000.00, except as otherwise provided herein.
 - b. Licenses and leases of privately held property for use by the City, or of City-owned property leased to others, where the annual expenditure/revenue does not exceed \$25,000.
2. The City Manager, or his/her designee, is authorized to approve the following real estate transactions subject to the approval limits set forth herein:
 - a. All non-capital project acquisitions of real estate where the purchase price does not exceed \$100,000, except as otherwise provided herein.
 - b. All capital project acquisitions on projects approved and contained in the City's Capital Budget where adequate funding is available to cover the purchase up to \$500,000, except as otherwise provided herein.
 - c. All temporary or special event usage leases of City-owned property.
 - d. Sale of property where the fair market value does not exceed \$100,000.
 - e. All licenses and leases of privately held property for use by the City, or City-owned property leased to others where the annual expenditure/revenue is greater than \$25,000 but does not exceed \$50,000; except as otherwise provided herein.
3. The City Commission shall review and approve all other real estate transactions, except as provided in Section 136.07.

136.04 Definitions.

1. **Appraisal.** An analysis, opinion, or conclusion relating to the nature, quality, value or utility of specified interests in, or aspects of, identified real estate.
2. **Capital Improvement Projects.** All projects which have been approved by the City Commission in a Capital Improvement Project Budget and have been included on the list of approved projects in the LongRange Transportation plan, Comprehensive Plan, or other such City Commission declaration of interest.
3. **Competitive Bidding.** Receipt of written quotes from bidders with the object of obtaining the highest price for property, which is in the best interest of the City; also, the receipt of bids by auction.
4. **Condemnation.** The act or process of enforcing the rights of eminent domain (see Eminent Domain).
5. **Designee.** A duly authorized representative of a person holding a superior position.
6. **Easement.** A right to use the land of another for a specific purpose.
7. **Eminent Domain.** The right of government to take private property for public use upon the payment of just compensation.
8. **Environmental Audit.** An assessment of property to determine any potential of environmental contamination.
9. **Fair Market Value.** The most probable price, as of a specified date, in cash or in terms equivalent to cash, or in other precisely defined terms for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably and for self-interest, and assuming that neither is under undue duress.
10. **Fee Title or Fee Simple Title.** Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.
11. **Lease.** A written document in which the rights to use and occupy land or structures are transferred by the owner to another for a specified period of time in return for a specified rent.
12. **License.** A revocable non-assignable right to go on the property of another for a limited purpose which does not operate to confer or vest in the licensee any title, interest or estate. Examples are month-to-month parking and short-term use agreements.
13. **Marketable Title.** A legally defensible title which is free from material defects and acceptable to a reasonable purchaser, informed as to the facts and their legal meaning.
14. **Option Agreement.** A contract conveying a right, to be exercised by the holder of the option, to buy real estate at a specific price during a stipulated period of time.
15. **Permit.** A written revocable non-assignable authorization to use the property of another to do some act not allowable without such authority.
16. **Public Open Space.** City-owned properties used for passive or active recreation; shall not be considered for disposal through the surplus property process.
17. **Public Purpose.** A purpose which has as its objective the promotion of the public health, safety, morals, general welfare, security, prosperity, and contentment of the residents of the City of Tallahassee and not the welfare of an individual or specific class of persons.
18. **Purchase and Sale Agreement.** A binding contract for the purchase and sale of real property subject to the conditions contained in the agreement.
19. **Quitclaim Deed.** An instrument of conveyance intended to pass such title, interest or claim as the grantor may have in the property and which contains neither warranties nor covenants of title.
20. **Real Estate.** Physical land and appurtenances attached to the land, e.g. structures. An identified parcel or tract of land, including improvements, if any.
21. **Real Estate Committee.** A committee to review acquisitions and other real estate matters of the City comprised of three voting members including the City Treasurer-Clerk plus two others, as appointed by the City Manager.
22. **Real Property.** All interests, benefits, and rights inherent in the ownership of physical real estate; the bundle of rights with which the ownership of real estate is endowed.

23. **Right of Way Map.** Any map or survey prepared by or on behalf of the City that identifies the real estate necessary to implement a Capital Improvement Project.
24. **Sidewalk Lease.** Any lease to a restaurant or commercial use that desires to use adjacent public sidewalks, rights-of-way or plazas.
25. **Surplus Property.** City-owned real estate that is not currently being used by any City department or for which there is no identified potential future City use.
26. **Value Determination.** Estimate of value as determined by City's real estate staff, based on surrounding land values, assessed values and comparable properties, when the estimated property value does not exceed \$25,000.
27. **Warranty Deed.** A deed that conveys to the grantee title to the property free and clear of all encumbrances, except those specifically set forth in the document.

136.05 Real Estate Management Department Responsibilities.

1. Unless specifically directed otherwise by the City Manager, or his/her designee, the Real Estate Management Department shall implement and comply with this policy and shall be charged with the following responsibilities:
 - a. Developing uniform and clear procedures for all real estate transactions.
 - b. Assuring uniform and clear documentation of all real estate transactions.
 - c. Assuring all real estate transactions are negotiated equitably and in good faith and in accordance with all applicable state and federal laws.
 - d. Assuring cost effective management of all real estate not currently in use by a City department.
 - e. Assuring that the most current Real Estate Policy is available to all departments involved in the acquisition or disposition of real estate.
 - f. Assuring that, in those instances when negotiations for the acquisition of real estate under the threat of condemnation are unsuccessful, all information necessary for the filing of an eminent domain lawsuit is provided to the City Attorney.
 - g. Maintain documentation of all acquisitions or dispositions including, but is not limited to, appraisals, contracts, environmental audits, Real Estate Committee, City Manager or City Commission approvals and check requests.
 - h. Maintaining an accurate inventory of all City-owned real estate.
 - i. Notifying the City Commission of any pending land sales in the quarterly budget update.
 - j. Ensure the timely payment of any ad valorem taxes assessed by the Leon County Property Appraiser upon City-owned real estate license or leased to others.
2. The City Attorney, or his/her designee, is responsible for acquiring real estate through the City's eminent domain power in those instances when negotiations for the acquisition of real estate under the threat of condemnation are unsuccessful.
3. Purchases by the City's Electric Department, which are subject to Section 403.501 (Power Plant Site Location), Florida Statutes, are exempt from this Policy.
4. Certain certified airline aviation leases, as described further herein, are also exempt from the provisions of this Policy.

136.06 Appraisals and Estimates of Value.

1. For all real estate transactions, the City shall prepare or obtain a value determination or an appraisal which estimates the appropriate type of value of the real property interest involved in the transaction in accordance with the following procedures:
 - a. For acquisitions, sales, or dispositions in which the estimated value of the real estate does not exceed \$25,000, an in-house value determination or an independent appraisal shall be prepared.
 - b. For acquisitions, sales, or dispositions in which the estimated value of the real estate is greater than \$25,000, but does not exceed \$300,000, an independent state-certified appraiser shall be retained to prepare an appraisal with an estimate of the value of the real estate.

- c. For acquisitions, sales, or dispositions in which the estimated value of the real estate exceeds \$300,000, two independent state-certified appraisers shall be retained to each prepare an appraisal with an estimate of the value of the real estate. One of these estimates may be a USPAP Standard 3 Review with the reviewer's opinion of value. A recent appraisal report, with relevant property data, prepared for the property owner, and for the same intended use as the City's appraisal, may serve as the second appraisal.
- d. Appraisal information shall be disclosed to all parties in the approval process, unless confidentiality is provided for by operation of law.

136.07 Acquisitions by the City of Tallahassee of Real Estate for Capital Improvement Projects.

If a City department desires to implement an approved capital improvements project that requires the acquisition of fee and less-than-fee real estate, the department shall establish the necessary work order to budget funds needed to identify location(s) or locational criteria to be used to identify the real estate and provide for the cost to acquire the real estate. This information must be submitted to the Real Estate Management Department, which will evaluate real estate alternatives, research the ownership of each parcel and estimate property values as provided in Section 136.06 above. The Real Estate Management Department, together with the responsible department head or designated contact, shall attempt to negotiate with the property owner to finalize an acquisition price and secure a purchase and sale agreement.

- 1. Any real estate to be acquired pursuant to this section that has been identified on a right of way map or survey as being necessary to implement a Capital Improvement Project may be acquired under the threat of condemnation pursuant to the guidelines provided in Section 73.015, Florida Statutes, titled Pre-Suit Negotiations, and pursuant to the following authority:
 - a. The Real Estate Management Department shall have the responsibility to secure purchase and sale agreements for any pre-suit voluntary acquisitions of property required for City projects, subject to the approval thresholds in this policy.
 - b. Department heads have the authority to approve any purchase necessary to complete the pre-suit acquisition of any parcel of real estate necessary to implement a Capital Improvement Project for which the settlement amount to a property owner is no greater than \$25,000, exclusive of attorney's fees and costs, if any, regardless of the City's most recent approved appraisal.
 - c. The City Manager, or his/her designee, shall have the authority to approve any purchases necessary to complete the pre-suit acquisition of any parcel of real estate necessary to implement a Capital Improvement Project for which the settlement amount to a property owner is greater than \$25,000, but does not exceed \$250,000, exclusive of attorney's fees and costs, if any, regardless of the City's most recent approved appraisal. The City Manager shall also have full authority to approve all pre-suit settlements greater than \$250,000, but does not exceed \$500,000, exclusive of attorney's fees and costs if the settlement amount does not exceed 25% above the most recent approved appraisal. If a pre-suit settlement between greater than \$250,000 but does not exceed \$500,000 is 25% above the City's most recent approved appraisal, or the total settlement amount is over \$500,000, the proposed settlement will be presented to the Real Estate Committee for a review and recommendation.
 - d. The Real Estate Committee shall review and recommend the terms and conditions of the proposed settlement and present to the City Commission for approval as an agenda item on single parcel acquisitions greater than \$500,000, exclusive of attorney's fees and costs, if any, and single parcel acquisitions over \$250,000, exclusive of attorney fees and costs, that exceed the City's most recent approved appraisal by 25% or more.
- 2. Property under the threat of condemnation not acquired through pre-suit acquisition will be transferred to the City Attorney's Office to be acquired through the exercise of the

City's power of eminent domain pursuant to Chapter 73 and 74, Florida Statutes according to the following procedure:

- a. The City Attorney, or his/her designee, shall prepare a condemnation resolution for approval by the City Commission stating the public purpose of the project and the necessity of obtaining the parcels identified for acquisition, and upon City Commission approval, file a petition with the appropriate Court to obtain title to the property.
 - b. The City Attorney shall have the authority to approve all condemnation settlements, whether land or business claims, for which the settlement amount to a property owner is no greater than \$250,000, exclusive of attorneys' fees and costs, and non-monetary benefits, if any, regardless of the City's most recent approved appraisal. The City Attorney shall also have full authority to approve all condemnation settlements greater than \$250,000, but does not exceed \$500,000, exclusive of attorneys' fees and costs, if the settlement amount does not exceed 25% above the most recent approved appraisal. If a condemnation settlement greater than \$250,000 but does not exceed \$500,000 is 25% above the City's most recent approved appraisal, or the total settlement amount is over \$500,000, the proposed settlement will be presented to the Real Estate Committee for review and recommendation and the City Commission for approval, notwithstanding the criteria set forth in Section 136.07.2.c (below).
 - c. The City Attorney shall have full authority to commit to legal settlements of all items and amounts which are subject to a court ordered mediation or trial proceeding, upon the recommendation of approval from the Project Manager or Department Head. Authority to commit to legal settlements, which result from non-court ordered mediations, shall be in accordance with the thresholds established in this section, and as set forth in Section 136.07 (3). For settlements exceeding \$500,000, excluding fees and costs, with an increase 25% above the most recent approved appraisal, which are achieved in a court ordered mediation, the City Attorney shall submit a report documenting the settlement to the City Manager for review within forty-five days after entry of the settlement by the appropriate court.
 - d. The City Attorney shall have the authority to approve deposits required by Order of Taking, which are entered by the Circuit Courts when the City acquires property through condemnation.
3. Summary of approval authority – Capital Improvement Projects. The following table summarizes the approval process of real estate acquisitions for capital improvement projects, regardless if the property is acquired under the threat of condemnation:

**Purchase Amount — Approval Authority
For Capital Improvement Projects
(Exclusive of fees & costs)**

PRE-SUIT SETTLEMENT		POST-SUIT SETTLEMENT
\$0 to \$25,000:		
Real Estate Director	Recommendation	Assistant City Attorney
Project Manager	Recommendation	Project Manager
Department Head	Final Approval	City Attorney
> \$25,000 to \$250,000:		
Real Estate Director	Recommendation	Assistant City Attorney

Assistant City Attorney	Recommendation	Real Estate Director
Project Manager and/or	Recommendation	Project Manager and/or
Department Head	Recommendation	Department Head
City Manager	Final Approval	City Attorney

> \$250,000 to \$500,000 (less than 25% above appraisal)

Real Estate Director	Recommendation	Assistant City Attorney
Assistant City Attorney	Recommendation	Real Estate Director
Project Manager and/or	Recommendation	Project Manager and/or
Department Head	Recommendation	Department Head
City Manager	Final Approval	City Attorney

> \$250,000 to \$500,000 (more than 25% above appraisal)

Real Estate Director	Recommendation	Assistant City Attorney
Assistant City Attorney	Recommendation	Real Estate Director
Project Manager and/or	Recommendation	Project Manager and/or
Department Head	Recommendation	Department Head
Real Estate Committee	Recommendation	Real Estate Committee
City Commission	Final Approval	City Commission

> \$500,000

Real Estate Director	Recommendation	Assistant City Attorney
Assistant City Attorney	Recommendation	Real Estate Director
Department Head	Recommendation	Department Head
Real Estate Committee	Recommendation	Real Estate Committee
City Commission	Final Approval	City Commission

136.08 Acquisitions by the City of Tallahassee of Real Estate and Land Bank Properties Not in a Capital Improvement Project.

If a City department desires to acquire property not identified in the Capital Improvement budget process, or being acquired for future City use, the department shall establish the necessary work order to budget funds and provide for the estimated cost to purchase the real estate. This information must be submitted to the Real Estate Management Department, which will value the real estate and order title work to research the ownership of each parcel, as appropriate. The Real Estate Management Department, together with the responsible department head or designated contact, shall attempt to negotiate with the property owner to finalize a purchase price

and secure a purchase and sale agreement. The Real Estate Management Department shall have the responsibility to secure purchase and sale agreements for any pre-suit and/or voluntary acquisitions of property required for City projects, subject to the approval thresholds in this policy.

1. Department heads have the authority to approve the acquisition of any real estate necessary for a Non-Capital Improvement Project which is needed for City purposes for which the purchase price is not greater than \$25,000, exclusive of attorney's fees and costs, if any, regardless of the City's most recent approved appraisal.
2. The City Manager, or his/her designee, shall have the authority to approve any purchases necessary to complete the acquisition of any real estate necessary for a Non-Capital Improvement Project which is needed for City purposes and for which the acquisition is greater than \$25,000 but less than \$100,000, exclusive of attorney's fees and costs, if any, regardless of the City's most recent approved appraisal.
3. The Real Estate Committee shall review and recommend the terms and conditions of all offers that exceed \$100,000. Upon receiving the recommendation of the Real Estate Committee, Real Estate Management Department shall present the agenda item summarizing the agreement to the City Commission for consideration and approval.
4. Summary of approval authority – Non-Capital Improvement Projects. The following table summarizes the approval process for non-capital project real estate acquisitions.

**Purchase Amount — Approval Authority
For Non-Capital Projects
(Exclusive of fees & costs)**

\$0 to \$25,000:

Real Estate Director	Recommendation
Project Manager	Recommendation
Department Head	Final Approval

> \$25,000 to \$100,000:

Real Estate Director	Recommendation
Department Head	Recommendation
City Manager	Final Approval

> \$100,000

Real Estate Director	Recommendation
Department Head	Recommendation
Real Estate Committee	Recommendation
City Manager	Recommendation
City Commission	Final Approval

136.09 Real Estate Owned by Others: Receipt by City of Offers to Sell or Donate Real Property

1. Any owner desiring to sell or donate real estate to the City should deliver a written offer to the Real Estate Management Department. In the event another City department is

- directly contacted with an offer to sell or donate real estate, the Real Estate Management Department shall be so notified by said City department.
2. Upon receipt of such offers, the Real Estate Management Department shall circulate the offer to the appropriate departments for their review and comment as to any interest in the property for planned, or future, City projects or uses.
 3. If a City need, or use, for the real estate is identified, the Real Estate Management Department shall prepare a written report to the City Manager with the following information included:
 - a. The estimated costs to the City if the offer is accepted;
 - b. Comments received from applicable City department identifying the existing and future need of the real estate; and
 - c. Recommendations on whether to pursue the offer and on the potential funding source(s).
 4. If the City Manager, or his/her designee, directs the Real Estate Management Department to pursue the offer, the Real Estate Management Department shall proceed with the acquisition in accordance with the procedure in Section 136.08. All other requirements imposed by the Real Estate Policy, including but not limited to, obtaining a value determination or appraisal, completing title work, etc. shall apply to purchases under this section.

136.10 Obtaining Licenses and Leases from Others

1. A City department with a need to enter a license, lease or lease purchase agreement for real estate owned by others shall notify the Real Estate Management Department and provide pertinent information about the real estate and evidence that approved funding is available for the lease.
2. The Real Estate Management Department may also identify alternative properties suitable to the need of the City department and after consultation with the department, negotiate the terms and conditions of the license or lease to best meet the needs and budgetary constraints of the City.
3. Department Heads shall have the authority to approve and execute documents necessary to complete a license or lease to the City of any real estate owned by others and needed for City purposes for which the annual fee or rental amount does not exceed \$25,000 with the recommendation of the Real Estate Director. The Real Estate Management Department will negotiate, or assist in negotiating, all leases within this approval authority.
4. The City Manager, or his/her designee, shall have the authority to approve and execute documents necessary to complete a license or lease to the City of any real estate owned by others and needed for City purposes for which the annual fee or rental amount does not exceed \$50,000 with the recommendation of the Real Estate Director. The Real Estate Management Department will negotiate, or assist in negotiating, all leases within this approval authority.
5. The Real Estate Committee shall review and recommend the terms and conditions of any license or lease agreement for which the amount exceeds the City Manager's authority. Upon receiving the recommendation of the Real Estate Committee, Real Estate Management Department shall present the agenda item summarizing the agreement to the City Commission for consideration and approval.
6. The City Attorney's office shall review and approve all license or lease agreements as to form and content.
7. The Real Estate Director, in consultation with the City Attorney's Office as needed, shall be responsible for obtaining the approval of Risk Management to assure adequacy of insurance coverage and other provisions needed to protect the City's exposure to risks.

136.11 Granting Licenses and Leases to Others

1. An individual or entity interested in obtaining a license or leasing real estate owned by the City shall express such interest in the form of a written request to the City. The written request shall be delivered to the Real Estate Management Department or the appropriate

Department and, upon receipt, the Real Estate Management Department shall determine whether the real estate is being managed and maintained by a City department(s), and if so, the license or lease request will be forwarded to that department(s) for its review and recommendation. Requests to obtain a license or lease real property from the City received directly by a City department shall be forwarded to the Real Estate Management Department to be processed pursuant to Real Estate Policy, Section 136.11, with the exception of certified airline aviation leases, Community Center leases, dark fiber leases and joint use pole agreements which may be initiated and negotiated by the Department.

2. The Real Estate Management Department shall review all proposed licenses or leases of City property. Those licenses or leases initiated and or negotiated by the Department will be forwarded to the Real Estate Director for review before making a final recommendation to the approving authority as outlined herein.
3. Department Heads shall have the authority to approve and to execute documents necessary to complete a license or lease of any real estate owned by the City and for which the annual rental amount does not exceed \$25,000 with the recommendation of the Real Estate Director.
4. The City Manager, or his/her designee, shall have the authority to approve and to execute documents necessary to complete a license or lease of any real estate owned by the City and for which the annual rental amount does not exceed \$50,000 with the recommendation of the Real Estate Director.
5. The Real Estate Committee shall review and recommend the terms and conditions of any license or lease agreement for which the amount exceeds the City Manager's authority. Upon receiving the recommendation of the Real Estate Committee, the Real Estate Management Department shall present the agenda item summarizing the agreement to the City Commission for consideration and approval.
6. The only exception to the approval procedures are leases for Certified Airlines that will provide scheduled passenger and/or cargo service at the Airport as either a Signatory, Non-Signatory or Affiliated Airline. These leases shall be approved and executed by the Director of Aviation upon approval as to form and content by the City Attorney or his/her designee and reviewed by the Real Estate Director. All other licenses for non-certified Airlines shall be subject to the provisions of this policy.
7. All license and lease documents shall be approved as to form and content by the City Attorney or his/her designee.
8. The Real Estate Director, in consultation with the City Attorney's Office as necessary, shall be responsible for obtaining approval of the license or lease from the Division of Risk Management for adequacy of insurance coverage and other provisions needed to protect the City's exposure to risk.
9. All lease files managed by the Real Estate Management Department will be maintained and entered into the OnBase Data Management System, or other applicable records management system utilized by the City. Departments managing leases submit the original document to the Treasurer-Clerk for entry into OnBase with a copy to the Real Estate Management Department.
10. For City-owned real estate leased to a for-profit entity, which may be subject to ad valorem taxation, the Real Estate Management Department will forward a copy of the lease to the Leon County Property Appraiser's Office within 30 days of the lease execution.

136.12 Sidewalk, Rights-of-Way and Plaza Leases

1. This policy shall apply to all restaurants and other commercial uses desiring to use adjacent public sidewalks, rights-of-way or plazas.
2. General Provisions:
 - a. At the sole cost of the applicant, a set of plans and any other pertinent information must be completed and submitted to the Growth Management Department for review, approval and/or permitting. The same information must be submitted to Electric Utilities and Underground Utilities and Public Infrastructure for review and issuance of a right-of-way permit. If approved by

Growth Management, Electric and Public Infrastructure, the Real Estate Management Department will supply an application to the lease applicant, which shall be circulated for review and approval from relevant and impacted departments not already contacted. Upon a determination that the application is consistent with the goals and objectives of this policy, the Real Estate Management Department will prepare the lease.

- b. The design of lease areas and solid waste management plans for operations on Kleman Plaza must additionally be approved by the Kleman Plaza Design Review Board prior to issuance of the lease.
- c. The Downtown Improvement Authority (DIA) shall review any lease applications within the DIA boundaries.

136.13 Sale or Disposition of City-Owned Surplus Property

1. The Real Estate Management Department shall annually review all City-owned real estate that is not currently being used by any City Department, which may be considered surplus property. A property may be considered surplus if there is no present City use or no identified potential future City use. If property is identified as surplus, the following information on the property shall be compiled and distributed to all City departments along with a request for comments.
 - a. When the property was acquired by the City and the cost of the acquisition;
 - b. The original reason for acquisition by the City;
 - c. The site location and description including any improvements and zoning classification;
 - d. The size of the property; and
 - e. The current estimate of market value
2. Responses received by the departments shall be provided in a written report to the City Manager with a recommendation to dispose of the property. The City Manager, or his/her designee, is authorized to approve the disposition of surplus property where the fair market value does not exceed \$100,000. If the fair market value is more than \$100,000 and the City Manager approves the recommendation, the recommendation shall be submitted to the City Commission for approval of the disposition.
 - a. Property owners, and tenants that can be reasonably identified and located, within 1,000 feet of the subject property shall be notified in writing at least three weeks prior to the proposed disposition's consideration by the City Manager or City Commission.
 - b. Staff will provide notice of the proposed disposition through a legal advertisement in two local newspapers (the Tallahassee Democrat and the Capital Outlook) and on the City of Tallahassee website (www.talgov.com) at least three weeks prior to the proposed disposition's consideration by the City Manager or City Commission.

Staff will place a sign with salient information on the subject property advertising the proposed disposition of the property at least three weeks prior to the proposed disposition's consideration by the City Manager or City Commission. Upon receipt of the City Manager's or City Commission's approval, surplus property shall be marketed for sale or disposition by competitive bid solicitation, or, if the City Manager or the City Commission considers it to be in the best interest of the City, without competitive bid solicitation. Any resulting purchase and sale agreement more than \$100,000, shall be submitted to the Real Estate Committee for review and recommendation. Upon receiving the recommendation of the Real Estate Committee, the Real Estate Management Department shall present the agenda item summarizing the agreement to the City Commission for consideration and approval.

3. If no bids are found to be acceptable, or in the best interest of the City, staff may either:
 - a. Reject all bids;
 - b. Negotiate with responding parties to obtain a favorable sale;
 - c. Negotiate with any party for a favorable sale;
 - d. Re-bid the sale; or

- e. Advertise the property for sale through a City term contract Broker as authorized by the Real Estate Director and approved by the City Manager.
4. Staff will maintain file documentation of the disposition method used and justification therefore.
5. If in the event the City receives an offer on property not declared surplus; the staff will follow the same procedures as outlined herein, as applicable.
6. It is the policy of the City to maintain ownership of public land which is used for passive or active recreation.
7. It is the intent of the City to ensure that the proposed future use of the property is consistent with, or furthers, the goals and objectives of the Comprehensive Plan, the City of Tallahassee Strategic Plan, redevelopment plans, sector plans, and other relevant City goals and objectives. The City shall place conditions and/or requirements on the terms of sale of surplus property to ensure that this intent is achieved.

136.14 Management of Real Estate Owned by the City

1. All City departments charged with the responsibility of operating a program or activity involving real estate owned by the City shall have primary responsibility to maintain and manage that real estate.
2. The Real Estate Management Department shall be responsible for the management of all real estate owned by the City which is not assigned to other City departments. This management responsibility shall include, but not be limited to, annual inventory, arrangement for insurance, security, maintenance, interim use, demolition of unsafe structures and the administration of contracts with outside property management entities.

136.15 Requirements for Staff of the Real Estate Management Department

1. The Real Estate Director and Supervisor Right of Way shall be licensed as a Real Estate Broker with the State of Florida.
2. Real Estate Agents employed by the City shall be licensed and registered as a real estate sales associate with the State of Florida and be commissioned as a Notary. The City shall use its real estate staff to acquire, lease, sell or dispose of property as needed. The licensed real estate agents shall have primary responsibility for real estate negotiations.
3. The City Manager may authorize the use of third-party real estate agents to represent the City's interests on a case-by-case basis, upon written notice to the City Commission of the agent(s) to be employed, the qualifications of the agent(s) and the nature of their assignment

136.16 Title Requirements

An independent title search shall be conducted on all parcels acquired through condemnation/eminent domain. A title search or insurance commitment/policy may be obtained on all other property acquisitions, as determined necessary by the Real Estate Management Department.

136.17 Survey Requirements

All surveys necessary for property acquisitions must meet the Florida standard of practice in Florida Administrative Code 5J-17 pursuant to Section 472.027, Florida Statutes.

136.18 Environmental Audits

The City shall perform a Phase I environmental audit on all property purchases where due diligence indicates active or past uses, which may have resulted in hazardous waste contamination. The environmental audit shall be prepared prior to closing and shall be reviewed and approved by the Environmental Services & Facilities Director, or his/her designee. When indicated by the findings, and upon the recommendation of the Environmental Services & Facilities Director, or his/her designee, a Phase II environmental audit shall be conducted.

136.19 Reviewing and Maintaining Closing Documents

1. The City Attorney, or his/her designee, shall review all closing documents and title work prior to closing on all real estate acquisitions, dispositions, licenses and leases by the City, and document this review in writing. The City Attorney may authorize licensed agents of the Real Estate Management Department to close City purchases, provided a review of the closing documents and title work has been conducted by the City Attorney or his/her designee prior to closing on any real property acquisitions.
2. The Real Estate Management Department or the City Attorney is responsible for delivering copies of all closing documents, including evidence of title, to the Treasurer-Clerk for recordation. Upon recordation, the Real Estate Management Department shall forward copies of all closing documents to Accounting Services and the City Surveyor to ensure proper land inventory and fixed assets inventory and to maintain up to date City maps. The Real Estate Management Department is responsible for providing the necessary documents and information to the City department to be using the real property. This section shall also apply to licenses and leases either for City property to another entity or a lease of property for City use.

136.20 Use of Federal Funds by City to Acquire or Lease Real Estate

The City shall comply with the requirements of the Federal Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended (42 USC 4601 et seq.) if using federal funds to acquire or lease real estate.

136.21 Revisions to Real Estate Policy

The Real Estate Management Department shall recommend amendments, modifications or alterations to this policy to the City Commission as required to maintain its applicability to local, state and federal regulations, laws, ordinances, etc. The City Attorney's office shall review proposed revisions, as needed, to ensure compliance with applicable laws. Any revisions to the Real Estate Policy shall become effective upon approval of the City Commission.

136.22 Effective Date of Real Estate Policy

This Real Estate Policy shall become effective upon approval of the City Commission. The effective date of this policy shall be September 27, 1989.

Revised

May 13, 2020
January 16, 2019
October 17, 2018
December 6, 2017
September 1, 2010
February 22, 2006
January 11, 2006
December 6, 2005
August 28, 1996
June 13, 1990