

SUBJECT – CITY PROPERTY Real Property – Acquisition, Disposal and Sale of Real Property	Number 155.1	Revised 8-21-95 3-26-12 12-XX-25	Effective Date 5-6-85	Page 1 of 6
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I. Subject:
Acquisition and Disposal of City Property

II. Purpose:

The City of Fayetteville strives to acquire and dispose of real property in a fair, equitable, and nondiscriminatory manner to avoid the appearance of favoritism and best serve the general public welfare.

In all real property acquisitions and dispositions, the City shall comply with Article 12 of the North Carolina General Statutes, which mandates the various methods available to North Carolina municipalities for said transactions.

The following procedures are hereby adopted to carry out this policy in compliance with North Carolina law. Nothing in these procedures will be construed to conflict with North Carolina law, the Charter of the City of Fayetteville, or the Fayetteville City Code. These procedures do not attempt to cover rare dispositions of real property such as leasing or equal exchanges between governmental units.

III. Procedures for Acquisition:

A. Acquisition by Negotiation

1. When a specific site has been selected for approval, the appropriate City Department (or outside source) shall provide the Real Estate Manager with a rough property description on the Real Estate Service Request Form (Exhibit A). Sections A and B of the form must be completed and returned.
2. Real Property Title Investigation Procedures will include relevant information regarding property ownership through a 30-year title exam. Tax records, liens, deeds of trust, easements, judgments, civil actions, and other encumbrances will be reported and recorded within a real estate file housed in the Real Estate Division. Any defects in title will be reported to the City Attorney’s Office for recommendations on appropriate action.
3. The Real Estate Division Manager (or designee) will brief City Management and the City Council once it has been recommended that a fee simple

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purchase move forward. For acquisition of easements or other interests, the respective department requesting the acquisition is responsible for obtaining City Council’s approval.

4. On acquisitions over \$50,000.00, a formal Opinion of Title will be provided to a title company, and an Owner's Title Insurance Policy will be secured on behalf of the City by the Real Estate Division and City Attorney’s Office.
5. The Real Estate Division may obtain an appraisal of all fee-simple acquisitions over \$5,000.00 by an outside certified appraiser. Funding source requirements (e.g., federal or state) may affect this threshold. It is the responsibility of the requesting department to notify the Real Estate Manager of the funding type to ensure proper procedures are followed.
6. If the City deems it necessary to obtain an Environmental Report on a property, the Real Estate Division will obtain a proposal, circulate it for the City Manager’s signature, and retain the signed proposal and final reports within the Division’s property files. Findings will be reported to the respective department.
7. The Real Estate Division negotiates acquisitions. Once a negotiated agreement is reached, the Division will work with the City Attorney’s Office to prepare the deed, closing statements, and any necessary tax forms for execution at closing. Additional documentation may be required depending on financing involved.
8. After execution, the Real Estate Division will record all required documentation and retain copies within the Division. Original documents will be sent to the City Clerk for permanent storage. Copies will also be sent to the requesting department, Risk Management, and Finance.

B. Acquisition by Donation

1. Subsection A. Acquisition by Negotiation (1)–(3) and (6) are incorporated herein by reference as fully set out.

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2. After all due diligence is completed, the Real Estate Division will prepare a City Council Action Memo and Resolution summarizing the findings for approval or denial at a regular City Council meeting.

C. Acquisition by Condemnation

1. Subsection A. Acquisition by Negotiation (1)–(6) are incorporated herein by reference as fully set out.
2. When the Real Estate Manager determines that a negotiated conveyance is not obtainable, they shall inform the City Manager. The City Manager may direct staff to report to City Council that negotiations have been unsuccessful and request authorization to pursue condemnation of the property interest needed.
3. Upon Council adoption of a condemnation resolution, the Real Estate Manager shall coordinate with the City Attorney’s Office to initiate the condemnation proceeding.
4. North Carolina General Statute Chapter 40A process for eminent domain will be followed.
5. Once the condemnation process is complete, documents will be forwarded to the Real Estate Division for recordkeeping. Originals will be sent to the City Clerk for permanent storage.

IV. Procedures for Disposal of City Property

When the City determines there is no current or future use for a subject property, the property is placed on a Surplus Interest List and added to the City of Fayetteville website.

A. Private Negotiation and Sale

1. N.C.G.S. § 153A-163 governs the acquisition of property at a judicial sale, execution sale, or sale made pursuant to a power of sale to secure a debt.
2. N.C.G.S. § 160A-267 governs the private sale of property.

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B. Advertisement for Sealed Bids

1. N.C.G.S. § 160A-268 governs the sale of property by advertisement for sealed bids.

C. Negotiated Offer, Advertisement, and Upset Bid

1. N.C.G.S. § 160A-269 governs the procedure for the upset bid process.

D. Public Auction

1. N.C.G.S. § 160A-270 governs the procedure of a public auction.

E. Exchanges

1. N.C.G.S. § 160A-271 governs the procedure for an exchange.

V. Amendments:

1. This policy may be amended by a majority vote of the City Council of the City of Fayetteville, North Carolina, at a regularly scheduled meeting.

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EXHIBIT A
REAL ESTATE WORK ORDER FORM

Instructions: This form must be completed for services that are requested by departments, divisions, persons, agencies or organizations. If request is for real property acquisitions, sales, or leases, provide a street address, tax map number, Parcel ID or PIN number. If request is for maintenance, provide a street address. If more space is needed, attach it to this form. **Complete all sections that apply. Work will begin when all information is provided.**

SECTION A (MUST BE COMPLETED FOR ALL REQUESTS) Date: _____

Request Made By: _____ Phone No.: _____ Email: _____

Dept./Div./Organization/Citizen: _____

PROJECT: _____ Date Needed: _____

Date Project Authorized by / / City Council / / City Manager: _____

FUNDING SOURCE: ___LOCAL ___BONDS ___STATE ___FEDERAL ___HOUSING BONDS ___CDBG ___HOME

Funding Source Responsibility and Account No. _____ Capital Proj. Ordinance # _____ Work Order # _____

Funds Budgeted for this Assignment: \$ _____

**** Please be advised that state and federally funded projects require a 3-6 month time frame. General Fund projects require a minimum of 3 months. WRITTEN REQUIREMENTS FOR FUNDING SOURCES REQUIRED BEFORE ANY PROCESS CAN BE STARTED**

SECTION B – Acquisition (Provide sealed and signed survey or plat map for each property and a set of plans; **REQUIRED: PROVIDE WRITTEN REQUIREMENTS FOR ACQUISITION FOR TYPES OF FUNDING USED**)

Description of Service Needed: _____

Consequences of Project to Property and/or Property Owner: e.g., loss of access, assessments, proximity damage to remainder of property, damage to landscaping, etc. _____

Acquisitions: _____ Number of Survey Maps Attached: _____ (Sealed and signed survey or plat map must be approved by E&I before giving to Real Estate and no revisions should be made after this point without Real Estate being notified in writing)

Legal Description Attached: _____ (Yes) _____ (No) (2 copies needed for each property if applicable)

Property Rights To Be Acquired: _____ FEE SIMPLE _____ EASEMENT Type of Easement (sewer, greenway, etc.).

If a consultant is being used please provide name and contact number _____

SECTION C-1 – Property Dispositions

Request: _____

Property Address: _____ **PARCEL OR PIN #:** _____

Property Address: _____ **PARCEL OR PIN #:** _____

Property Address: _____ **PARCEL OR PIN #:** _____

SECTION C-2 (THIS SECTION COMPLETED BY REAL ESTATE DIVISION)

Estimated Fair Market Value: _____

Appraisal By: _____ **Dated:** _____

OTHER (Explain): _____

SECTION D (Notification Letter Request)

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Please provide excel spreadsheet showing parcel identification numbers affected, names of property owners, mailing addresses, situs addresses, project name, start date and time frame for project completion. These requests should be made to the Real Estate Division 45 days before project is set to begin. Please provide a synopsis of the project below to be included in the letter.

SECTION E (Miscellaneous Requests – e.g., Market Value Estimates, Surveys, Land Search, Deed, Environmental Assessments [Asbestos, Lead UST's], etc.):

Provide Description of What is Being Requested and any special instructions:

SECTION F – To Be Completed By Real Estate Manager

Assigned To: _____ Date: _____

SECTION G – To Be Completed by Person(s) Receiving Assignment

Work Completed On (Date): _____

Date Project Completed: _____ Date Project Closed Out: _____

Other Comments: