

**I. Purpose:**

The City of Fayetteville strives to dispose of its surplus real property in a fair, equitable, and nondiscriminatory manner which avoids the appearance of favoritism; best serves the general public welfare and increases the ad valorem tax base.

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 or real property such as leasing, equal exchanges between governmental units, or the sale of historic and artistic property.

**II. Procedures:**

- A. In all real property 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 the disposition and conveyance of real property and which mandates the procedure for each available method.
- B. Each Request to acquire real property owned by the City shall be sent to the Real Estate Division. The Real Estate Division will determine how the property was acquired by the City and whether it is surplus to the needs of the City. If property is still in government use, Real Estate will notify the Requestor that the property is not surplus.
- C. Surplus property shall be disposed of according to Article 12 of the North Carolina General Statutes following a determination of the terms of sale which may include but are not limited to the following factors:
  - 1. The nature of the sale (whether by private negotiation and sale; advertisement for sealed bids; negotiated offer, advertisement, and upset bid; public auction; or exchange).
  - 2. The minimum sale price; (if not controlled by Article 12);
  - 3. The need for and amount of any deposit;
  - 4. A showing by the purchaser of financial responsibility;
  - 5. That the purchaser is current on property tax payments;
  - 6. Whether payment will be by cash or on some other basis;
  - 7. Whether employees may bid on the property;
  - 8. The time of closing; and
  - 9. Whether the property is sold "as is.

- D. In addition to the determinations of the terms set forth above, and if the surplus property is one which can be conveyed by private sale to a nonprofit entity, the City may consider requests to convey surplus property to a nonprofit organization by private sale without monetary consideration. The recipient must agree to use the property for a continued public purpose. The City shall attach to any such conveyance covenants or conditions which assure that the property will be put to a public purpose by the recipient entity. Prior to making this type of conveyance, the City will determine whether the proposed public purpose is consistent with the City's comprehensive plans, land use plan, strategic plan or its community development action plan.

If the City deems that the use proposed by the purchasers is in fact a public use, but one not necessarily consistent with the comprehensive plans, land use plan, strategic plan or its community development action plan then Council will follow the standard that the purchase price shall be equal to 50% of the value of the property plus the cost incurred to close the sale and the required public use deed restriction.