

## TITLE 5

### MUNICIPAL FINANCE AND TAXATION

#### CHAPTER 8

#### PURCHASE, SALE, AND INVENTORY OF TOWN PROPERTY

**5-823. Procedure for sale of surplus real property.** (1) The disposal of surplus real property shall be by competitive sealed bid or public auction, including by internet auction, in accordance with the following:

(a) The purchasing agent shall cause notice of the sale to be published in a newspaper of general circulation, on Channel 3, and on the town's website, giving a general description of the surplus real property to be sold, where bids are to be received and the time and place of the sale. The purchasing agent may, in addition, solicit competitive sealed bids from prospective buyers, by telephone, by sending them copies of notices, or by any other method or methods designed to reach the greatest number of prospective buyers. The purchasing agent shall specifically send notice of the sale to any and all property owners which border the surplus real property to be sold;

(b) Surplus real property is to be sold to the highest and best bidder with the right retained by the town to reject any or all bids or to waive any informalities or immaterial defects contained in said bids;

(c) The town shall obtain a property appraisal prior to the advertisement of the sale of the surplus real property. In no event shall the surplus real property be sold for less than the Fair Market Value as determined by the appraisal, except as otherwise specifically provided herein;

(d) Competitive sealed bids shall be submitted to the purchasing agent and shall be identified as bids on the envelope. Sealed bids shall be opened in public in the presence of at least two town employees;

(e) Sales of surplus real property shall be in accordance with the "Terms and Conditions for Sale of Surplus Real Property Policy Statement" adopted by resolution by the town council;

(f) The provisions of this section shall not apply when the town is selling surplus real property to any other federal, state, or local governmental unit or agency.

(g) In the event that surplus real property does not sell by competitive sealed bid or public auction at the appraised fair market value, then the town council may direct the purchasing agent to attempt to sell the property by competitive sealed bid or public auction at 20% off of the appraised fair market value. Such 20% reductions may continue for each bid or auction cycle until the property is sold or until the price on the property would be listed below 20% fair market value based on the appraisal. Thereafter, if the property has not sold for at least 20% fair market value, then the town council may direct and authorize the purchasing agent to give or donate the

property to a charitable or a not-for-profit entity as defined under federal law. (Amended by Ord. #09-12, March 2009.)

(2) Upon a reasonable determination that the property does not exceed \$25,000.00 in value, or that there are other unique circumstances making a public advertisement and bid procedure impossible or impracticable, then the council, by resolution, may waive the requirements of public notice, and sealed bidding, and may sell or dispose of the property in question by negotiated contract, or by other means that will adequately protect the public interest. (Amended by Ord. #12-16, November 2012.)