



City of Santa Fe New Mexico

Memorandum



Date: February 5, 2021

To: Public Works and Utilities Committee

From: Rich Brown, Director, Community and Economic Development Department *RB*

RE: Resolution requiring Governing Body approval prior to announcing City real property for sale.

ITEM AND ISSUE:

This Resolution will require staff to make a presentation to the Governing Body and have the Governing Body vote before announcing City real property for sale. This resolution does not set a minimum threshold to trigger a public presentation prior to announcing a piece of City real property for sale, but requires that staff present their reasoning for selling property in public before announcing City real estate is for sale. The FIR explores what this means for staff time to start making public presentation during the discussion portion of the agenda. This Resolution does not prohibit executive session, which would be helpful should issues of sales/marketing strategy, personal confidentiality, ongoing personal litigations, etc., which need to be frankly discussed before a public offering notice is made.

Note: Current practice is that all land and property assets subject to public offering for sale are discussed with the Governing Body during an executive session, then a public notice is placed both on the website and as ads within the newspaper. Then, to sell a piece of real property a resolution and purchase agreement are brought to the Governing Body for a public hearing as required by statute, and any sales over \$25,000 are subject to a referendum period. This new process would require two public presentations for a sale of real property, one to obtain permission to place the real property for sale and one for the sale process that is required by statute.

BACKGROUND AND SUMMARY:

Historically, Asset Development (now part of the Community and Economic Development) has monitored and assessed all land and parcel assets of the City. This includes the monitoring and managing of most, if not all, City-leased property assets.

Recently, Councilors on the Governing Body expressed dismay that disposition strategies for land parcels which are targeted for public offering for sale were discussed in a closed, Executive Session. The reason that staff have sought to discuss issues and potential strategies and approaches during executive session to this point is to allow candid discussion of potential legal issues and avoid losing potential leveraging of sales values through sales strategy, while also gaining feedback from the Governing Body on the recommended path to public offering.

Approval from the Governing Body is not currently required before the City announces the opportunity for potential offerors to submit offers to buy City property for the Governing Body's consideration.

ACTION REQUESTED:

Staff recommends moving forward with this Resolution, since it retains the option to discuss sensitive issues in Executive Session. The ongoing ability to hold an Executive Session, if needed, will allow the City to avoid telegraphing any competitive advantages or potentially ongoing litigating issues before launching an approved public offering.

ATTACHMENTS:

Resolution
Fiscal Impact Report