

FISCAL IMPACT REPORT**General Information:**(Check) Bill: _____ Resolution: X Short Title(s): GB Approval for Sale of Public LandSponsor(s): Councilors Vigil Coppler, Garcia, and VillarrealReviewing Department(s): Community and Economic DevelopmentStaff Completing FIR: Rich Brown Date: 2/15/21 Phone: 955-6625Reviewed by City Attorney:  Date: Feb 17, 2021Reviewed by Finance Director:  Date: Feb 20, 2021**Summary:**

The proposed Resolution will create a pre-review process when selecting underperforming property assets, which will require obtaining Governing Body approval before announcing any City real property to be offered for sale. It is notable that this resolution does not set a minimum threshold to trigger a public presentation, which means that any sale of any real property would need to be presented to Governing Body in a public presentation. This could also create a likelihood that staff will seek a private sale without a public announcement to avoid this requirement when timing is an issue. The resolution does not prohibit executive session, which would be necessary should issues of sales/marketing strategy, personal confidentiality, ongoing personal litigations, etc., need to be discussed in Executive Session before a public offering notice is produced. Note: Current practice is that all land and property assets subject to public offering for sale are submitted to the Governing Body for proposal review during 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 valued at more than \$25,000, an ordinance and purchase agreement are brought to the Governing Body for a public hearing as required by statute and the sale is also subject to a referendum period. The proposed, Resolution-mandated process will make at least two public presentations required for a sale of real property, one to obtain permission to announce the real property for sale and one for the sale process required by statute.

Departments Affected:Community and Economic Development and the City Attorney's Office.**Consequences of Not Enacting Legislation:**If this Resolution is not enacted, the City will continue to meet all legal requirements for selling real property.**Conflict, Duplication, Companionship, or Relationship to Other Legislation:**None identified.**Performance and Administrative Implications:**

No staff overtime would be incurred as it relates to any unintended consequences of the new land sales preview and/or presentation format. With large parcels, this new process could delay the go-to-market option by up to six months or more; depending on any amendments, changes, market data requests, etc. Some of this process could be done internally, but the potential added cycles of gaining majority approval may not match the timing of the market interest.

Fiscal Implications:

Potential fiscal implications could include the cost of appraisals that have up to a one-year shelf life. A new appraisal could be required if the City does not sell the real property within the year shelf life. If approvals take any longer than appraisal life span, additional funding would be needed to meet that demand.

Fiscal Impact Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 21	FYE 22	FYE 23	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
<u>Personnel and</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u></u>	<u></u>	<u></u>	
<u>Benefits*</u>							
<u>Capital Outlay</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u></u>	<u></u>	<u></u>	
<u>Contractual/</u>	<u>\$6,000</u>	<u>\$12,000</u>	<u>\$</u>		<u>NR</u>	<u>2122800</u>	
<u>Professional Services</u>						<u></u>	
<u>Operating</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>		<u></u>		<u>\$</u>
<u>Total:</u>	<u>\$6,000.00</u>	<u>\$12,000</u>	<u>\$</u>				<u>\$18,000.00</u>

* This includes all staff time associated with executing the job functions of the proposed legislation.

Expenditure Narrative:

No additional staff overtime expense would be incurred. However, with large parcels, there could an additional expense for new appraisals since most of our current appraisals were completed prior to March 2020 when we had originally discussed many of our real estate assets and public offering sales strategy in executive sessions. This additional appraisal cost would be dependent on any amendments, changes, market data requests, etc. Some of this process could be done internally, but the potential added cycles of gaining majority approval may not match the market interest.

Revenue

Revenue Type	FYE <u> </u>	FYE <u> </u>	FYE <u> </u>	Recurring (R) or Non-recurring (NR)	Fund
General Fund	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u></u>	<u></u>
Special Revenue	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u></u>	<u></u>
CIP	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u></u>	<u></u>
Enterprise	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u></u>	<u></u>
Internal Service	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u></u>	<u></u>
Trust and Agency	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u></u>	<u></u>
Federal	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u></u>	<u></u>
Other	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u></u>	<u></u>
Total	<u>\$</u>	<u>\$</u>	<u>\$</u>		

Revenue Narrative: