ORDINANCE 03-2023 HUNTINGTON CITY

AN ORDINANCE OF THE CITY COUNCIL OF HUNTINGTON CITY, UTAH, REENACTING PROCEDURES FOR DISPOSAL OF SIGNIFICANT PARCELS OF REAL PROPERTY OWNED BY THE CITY.

WHEREAS, from time to time the City may choose to dispose of real property; and

WHEREAS, Utah Code Ann. Subsection 10-8-2(1) mandates that municipalities must only dispose of real property when it is in the public interest; and

WHEREAS, Subsection 10-8-2(4) requires municipalities to define what is a "significant" parcel of real property and to provide reasonable notice for public participation prior to disposal of the significant parcel; and

WHEREAS, there is a need to provide guidance, consistency, and statutory compliance regarding the city's real property transactions.

NOW, THEREFORE, BE IT ORDAINED by the City Council of Huntington City, Utah, as follows:

Title 7 Public Ways and Properties, adding Chapter 8 DISPOSAL OF REAL PROPERTY

Sections:

7-8-1: Authority 7-8-2: Definitions.

7-8-3: Disposal of Real Property

7-8-4: Policy7-8-5: Exceptions7-8-6: Appraisal

7-8-1: Authority

Huntington City shall have the authority to purchase, receive, hold, sell, lease, convey, and dispose of real and personal property for the benefit of the city, whether the property is within or without the city's corporate boundaries, if the action is in the public interest as provided in Utah Code Ann. Section 10-8-2.

7-8-2: Definitions

- A. "Adequate consideration" means cash or other things of value at least equal to a real property's fair market value.
- B. "Authority" means that Huntington City shall have the authority to dispose of real property.
- C. "Disposal" means the conveyance or transfer of an interest in land, including sale, exchange, lease, grant of an easement, or the grant of an option.
- D. "Real property" means land and improvements affixed to land.
- E. "Reasonable Notice" means publishing a public notice of the proposed disposal of a significant parcel of real property owned by the city as a class A notice under Utah Code Section 63G-30-102.

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F. "Significant parcel" means real property: (i) having a fair market value in excess of one hundred thousand dollars (\$100,000); (ii) having a land area in excess of one acre (43,460 square feet); or (iii) set aside for, or used as, a public park or public recreation area.

7-8-3: Disposal of Real Property

Before disposing of a significant parcel of real property owned by the city, a public hearing for public comment shall be held by the city council. Notice of the public hearing shall be provided in accordance with the provisions of this chapter.

7-8-4: **Policy**

It is the general policy of the City to retain all real property and real property interests that it owns in trust for the present and future benefit of the City and its residents. The City has the authority to dispose of lands that are not needed for municipal purposes. Prior to disposing of real property, the City should consider: (i) existing and planned utility needs; (ii) existing and planned roads, sidewalks, and non-motorized trails; (iii) needs for open space, recreation areas, or other public facilities; (iv) existing or planned municipal buildings and structures; and advisory documents of the City, including but not limited to the General Plan, road plans, or utility plans.

Prior to disposing of a significant parcel of real property the City Council shall first hold a public hearing that allows for public comment on the proposed transaction. The City shall provide reasonable public notice disclosing the date, time and place of the hearing, including a statement describing the subject property in reasonable detail and explaining the purpose of the hearing. The public shall be provided access to all relevant details of the proposed transaction.

The notice of the public hearing shall be given at least fourteen (14) days prior to the hearing by publication on the Utah Public Notice Website; posting on the City's official website; and in a public area or location in or near the affected area that is reasonably likely to be seen by residents of the affected area subject to the requirements of Utah Code Ann. Subsection 63G-30-102(5).

7-8-5: Exceptions

- A. The following transactions are exempt from the provisions of this Chapter:
- B. Any parcel conveyed as part of a boundary line adjustment;
- C. Any parcel conveyed or created by a right-of-way vacation, plat amendment, or easement vacation;
- D. Any leases or conveyances executed between the City and other governmental entities;
- E. Any settlement of a boundary or title dispute, whether judicially approved or otherwise; or
- F. Any parcel that is undevelopable unless combined with an adjacent parcel.

7-8-6: Appraisal

If the City reasonably believes that a proposed transaction may involve a Significant Parcel, as defined by this Chapter, it shall first obtain an appraisal of the fair market value of the parcel from a suitably qualified real estate appraiser. The appraised value is not binding upon the parties, but it may be used to inform the City in the review of any proposed transaction. The City may require that a prospective purchaser pay for the costs of the appraisal as part of the transaction terms.

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EFFECTIVE DATE. PASSED AND APPROVED by a majority of the City of Huntington City Council. This ordinance shall take effect immediately upon passage at the regularly scheduled meeting of the Council on the $\underline{16^{th}}$ day of August, 2023.

			HUNTINGTON CITY		
(SEAL)					
ATTEST:	Mayor, Leonard Norton				
Huntington City Recorder					
		COUNCIL ME	<u>MBERS</u>		
	Judd Beagley	AYE		NAY	
	David Emery	AYE		NAY	
	Tom Kay	AYE		NAY	
	Jerry Livingston	AYE		NAY	
	Lesa Miller	AYF		NAY	

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