



MEMORANDUM

To: Mayor and Members of the City Council

From: Rich Olson, City Manager

Date: June 7, 2018

Re: Consideration – Adoption of Resolution Declaring City Property Surplus – 711 Brooks Avenue

BACKGROUND:

The City has received a request from Mr. Eddie Gibbs regarding purchasing a piece of property the City owns (see attached letter). This parcel is located at 711 Brooks Avenue, and further identified by PIN 891311760674 and Map 50-D-106. This is one of the few city-owned properties that still has a structure on it. Staff's research indicates that the City acquired this property by Sheriff's Deed, recorded on April 29, 2016.

ANALYSIS:

The property in question is approximately 5,000 square feet with a one-story residential structure. The property is located in the City's R-6 zone. According to the Pasquotank County property appraisal card, the property is estimated at \$28,500 (see attached). Mr. Gibbs originally submitted an offer of \$5,000 to the City, which he has since raised to \$7,000.

The property serves no practical purpose for the City and may be classified as surplus. Once the property has been declared surplus and a suitable offer has been received, the City Clerk would follow the upset bid process as determined by NCGS 160A-269, which reads as follows:

NCGS § 160A-269. Negotiated offer, advertisement, and upset bids.

A city may receive, solicit, or negotiate an offer to purchase property and advertise it for upset bids. When an offer is made and the council proposes to accept it, the council shall require the offeror to deposit five percent (5%) of his bid with the city clerk, and shall publish a notice of the offer. The notice shall contain a general description of the property, the amount and terms of the offer, and a notice that within 10 days any person may raise the bid by not less than ten percent (10%) of the first one

thousand dollars (\$1,000) and five percent (5%) of the remainder. When a bid is raised, the bidder shall deposit with the city clerk five percent (5%) of the increased bid, and the clerk shall readvertise the offer at the increased bid. This procedure shall be repeated until no further qualifying upset bids are received, at which time the council may accept the offer and sell the property to the highest bidder. The council may at any time reject any and all offers.

Staff would bring the matter back to the City Council before any final action can be taken.

FINANCIAL:

The Finance Committee discussed this matter during their June 7, 2018 meeting. Upon motion made by Councilman Horton, seconded by Councilwoman Young, the Committee unanimously recommended approval by the City Council.

STAFF RECOMMENDATION:

By motion, adopt the attached resolution declaring the property identified as PIN: 891311760674 and Map 50-D-106 as surplus property and authorize the City Clerk to begin the upset bid process as required by North Carolina General Statutes.

RCO/daw



**Resolution # 2018-06-07
Declaring Real Property Surplus
and Authorizing Sale by Upset Bid Process**

WHEREAS, the City of Elizabeth City is the owner of real property identified on the Pasquotank County Registry as PIN # 891311760674 and Map 50-D-106 and having a physical address of 711 Brooks Avenue; and

WHEREAS, the City of Elizabeth City has no current or future need for the said property; and

WHEREAS, the City Council has received an offer to purchase said parcel from Mr. Eddie Gibbs.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Elizabeth City that the parcel of property identified on the Pasquotank County Registry as PIN: 891311760674 and Map 50-D-106, located at 711 Brooks Avenue is hereby declared surplus to the needs of the City of Elizabeth City; and

FURTHER, the City Clerk shall be authorized to begin the upset bid process as required by North Carolina General Statute §160A-269.

ADOPTED, this the 11th day of June 2018.

Bettie J. Parker
Mayor

April D. Onley
Interim City Clerk