



TO: Mayor Tom Ross
Members of the City Council

FROM: Emily Huettl, PE, Assistant City Engineer

DATE: April 1, 2024

SUBJECT: POTENTIAL SALE OF CITY LAND – NORTH MINOT ADDITION (4836)

I. RECOMMENDED ACTION

1. Approve the sale of the City owned land described as:
 - a. NORTH MINOT ADDITION EAST 33' OF NORTH 250' LOT 1 BLOCK 5
 - b. NORTH MINOT ADDITION LOT 1 LESS NORTH 250' BLOCK 5
2. Approve the terms of the Purchase Agreement.
3. Approve the Request for Bids.
4. Authorize the Mayor to sign the Purchase Agreement and any other documents to complete the bid/auction and transfer of this parcel of land to the highest bidder.
5. Approve the associated access and utility easements and authorize the mayor to sign.

II. DEPARTMENT CONTACT PERSONS

Lance Meyer, City Engineer	(701) 857-4100
Emily Huettl, Assistant City Engineer	(701) 857-4100
Nick Schmitz, Assistant City Attorney	(701) 857-4755
Jason Sorenson, Utilities Director	(701) 857-4140

III. DESCRIPTION

A. Background

The City of Minot currently owns several parcels south of 5th Ave NW, west of Broadway (see attached figure). The City was approached by an adjacent landowner who is interested in purchasing parcels in the area. City staff reviewed the parcels in the area and determined that the City has no current or future need or use for two of the parcels:

1. NORTH MINOT ADDITION EAST 33' OF NORTH 250' LOT 1 BLOCK 5
2. NORTH MINOT ADDITION LOT 1 LESS NORTH 250' BLOCK 5

Section 2-5.1 of the City's ordinance govern the sale, exchange, or donation of property by the City and provides:

"[t]he sale, exchange, or donation of city property, including the terms of such sale, exchange, or conditions on such donation, or the method of sale or exchange if the terms thereof have not been established, must be pre-approved or ratified by the city council if the property is real estate or the property has an estimated market value in excess of five thousand dollars (\$5,000.00). This section shall supersede any state law to the contrary pertaining to the same subject matter. Cash or its equivalent shall not be considered property under this section."

B. Proposed Project

The sale of this land would be through a publicly advertised bidding process. The terms of the sale are outlined in the attached Purchase Agreement.

Prior to issuing the Request for Bids, the City needs to encumber the parcels with utility easements. Currently, there are utilities running across the parcels without the benefit of easements but if the land is to transfer to private ownership, easements are needed to ensure continued access to the public utilities.

Additionally, if the land is purchased by someone who owns adjacent land, the City is requiring the Buyer to replat the land within one year of the date of closing. This will organize and clarify an area of confusing legal descriptions and boundaries.

C. Consultant Selection

N/A

IV. IMPACT:

A. Strategic Impact:

Selling this land will allow underutilized city property to return to the tax rolls.

B. Service/Delivery Impact:

Selling this land will have no negative impact on the City.

C. Fiscal Impact:

Staff suggests a minimum bid price of \$1,000 to recoup costs associated with the legal advertisement and other bid administration. Per the Purchase Agreement, the buyer will pay for all title work, abstract creation, and other closing costs so that the City incurs no costs from this sale. Depending on the bids received, the City would generate a small amount of income from this sale and from future property tax collections.

V. CITY COUNCIL ASPIRATIONS

Dynamic and Flourishing – the City is responding to a request from the community, one that appears to potentially be a win-win situation.

VI. ALTERNATIVES

1. Council could choose not to sell the land.

VII. TIME CONSTRAINTS

Approving the sale in a timely manner would take advantage of the current interest in the land.

VIII. LIST OF ATTACHMENTS

1. Property Figure
2. Purchase Agreement
3. Request for Bids
4. Utility Easements