

RESOLUTION NO. \_\_\_\_\_.

A RESOLUTION REPEALING RESOLUTION 93-16740, AND ESTABLISHING A POLICY OF THE CITY OF BILLINGS, MONTANA AS IT RELATES TO THE PURCHASE OF REAL PROPERTY.

WHEREAS, from time to time the City of Billings has need to purchase real property in order to carry out the programs and projects adopted by the City Council; and

WHEREAS, the City is desirous of developing a uniform guide for the purchase of real property; and

WHEREAS, market value shall be defined as the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts regarding the property.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA, AS FOLLOWS:

Resolution No. 93-16740 is hereby repealed.

- A. NEGOTIATIONS: City staff may enter into contingent acquisition negotiations with the property owner prior to determining market value. Contingencies include, but are not limited to, market value determination and City Council or City Administrator approval.
- B. GUIDE TO DETERMINE MARKET VALUE: The City of Billings shall have an appraisal performed to determine the market value prior to purchase of real property. The appraisal must be by "a disinterested, certified, general real estate appraiser" selected by staff.

Staff shall review the appraisal and bring their recommendation of market value to the City Council for approval. In cases where staff does not recommend approval of the appraisal, staff may request additional appraisals and/or that a certified appraiser reviews the appraisal(s).

Appraisals for property \$750,000 and over in value must be reviewed by a qualified review appraiser selected by the City of Billings. After the review appraiser has reviewed the appraisal(s) and arrived at a market value of the property being appraised, the city staff will present the review appraisal to the City Council for the purpose of establishing the market value.

The City may not purchase property for more than the appraised market value, except as allowed within the established negotiating flexibility, absent approval of City Council.

The City Administrator may approve real property purchases with appraised values within the limits of his/her signing authority.

- C. NEGOTIATING FLEXIBILITY: In cases of extreme need where expeditious decisions are critical to the success of the development of a public improvement project, the City Administrator will bring to the City Council an offer over the fair market value. The City Council will then determine if the amount over market value is appropriate.

For purchases within their signing authority, the City Administrator may approve a purchase price above appraised value at their discretion.

- D. THIS RESOLUTION IS INTENDED TO PROVIDE A SET OF GUIDELINES FOR THE CITY'S PURCHASE OF REAL ESTATE.

- E. THIS RESOLUTION IS NOT INTENDED FOR PROPERTY AGREEMENTS, SUCH AS EASEMENTS AND DEEDED ACCESS, WHICH DO NOT INCLUDE OWNERSHIP TRANSFER OF REAL PROPERTY.
- F. THIS RESOLUTION IS NOT INTENDED FOR CONDEMNATION OR EMINENT DOMAIN ACTIONS.
- G. WHERE THE REAL PROPERTY WILL BE PURCHASED WITH FEDERAL FUNDS, THE CITY IS REQUIRED TO FOLLOW THE UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 AS AMENDED.
- H. IN CASES WHERE THE DEMANDS OF A PROJECT REQUIRE A VARIANCE FROM THESE GUIDELINES, THE CITY ADMINISTRATOR MAY COME TO THE CITY COUNCIL TO REQUEST A VARIANCE.

APPROVED AND PASSED by the Council of the City of Billings this \_\_\_\_\_ day of \_\_\_\_\_.

THE CITY OF BILLINGS:

BY:

\_\_\_\_\_

MAYOR

ATTEST:

\_\_\_\_\_

CITY CLERK