

**CITY OF BIG RAPIDS  
PLANNING COMMISSION MINUTES  
August 16, 2017  
APPROVED**

Chairperson Schmidt called the August 16, 2017, regular meeting of the Planning Commission to order at 6:30 p.m.

**PLEDGE OF ALLEGIANCE**

**PRESENT** Renato Cerdena, Paul Jackson, John Schmidt, Tim Vogel, Bill Yontz

**EXCUSED** Jennifer Cochran, Chris Jane

**ABSENT**

**ALSO PRESENT** Mark Sweppenheiser, Neighborhood Services Director  
Cindy Plautz, Neighborhood Services Coordinator

There was no one in the audience.

**APPROVAL OF MINUTES**

**Motion was made by Paul Jackson, seconded by Tim Vogel, to approve the minutes of the July 19, 2017, meeting of the Planning Commission as presented.**

**PUBLIC COMMENT NOT RELATED TO ITEMS ON THE AGENDA**

None heard.

**PUBLIC HEARINGS** None

**GENERAL BUSINESS**

The Commission will address the Surplus Property Code Amendment and then the Sale of City Property Amendment.

**Surplus Property**

The Planning Commission has entertained several requests for determination of surplus property over the last couple of years. There hasn't been an organized set of criteria to use in that

determination and it would be helpful to create one to follow. Other City's policies have been reviewed and City Attorney Eric Williams has come up with the following criteria:

- Date, terms, and instrument by which the property was acquired,
- Restrictions, prohibitions, easements, and encumbrances of record affecting the property,
- All known existing and intended future public uses of the property,
- What the Master Plan provides on or for the property,
- The historical character and significance of the real property and /or the structures on it,
- Probable market value of property if sold,
- Whether the property is buildable or non-buildable.

Providing a title search for the property was brought up, but perhaps it could be done later. A reason for completing the Title Search before a determination of surplus property is made is so the City can identify any deed restrictions, easements or possible other owners of the property in review. Schmidt suggested that the City could order the title search and pass the cost on to the buyer. He added that if the City wants to sell the property, they should be able to advertise.

Jackson said that he buys and sells a lot of property and he said that tax foreclosure properties are sold as is and it is up the buyer to do their own due diligence. If the buyer pays cash, there is no title search required by a bank.

Schmidt asked that if someone bought property and it was discovered that there are gas tanks underground from prior usage, would the City have to pay for abatement. Sweppenheiser said he didn't know but it would be worth spending the money up front so that the property would be worth more on the open market. Vogel added that the Register of Deeds would have a history of who owned the property in the past. Contamination is not discovered in a Title Search. He feels the City needs to do Title Search before they sell property. It was suggested that if the City has a lot of property to sell, we could ask for bids on bulk title searches.

Sweppenheiser stated that some properties, such as Rail Road properties, are not worth the cost of a title search as they are involved. In quit claim sales previous owners are not discovered and it is up to the buyers to be aware of this.

### **MOTION**

**Motion was made by Tim Vogel, seconded by Paul Jackson, to recommend to the City Commission an amendment to Section 34.54 (B) Sale of Property. This section would read as follows:**

**(B) Sale of real property land by the City shall be made only after review and recommendation by the Planning Commission and determination ~~formal sealed bids have been taken and approved~~ by the City Commission that the real property is not required for any existing or intended future public purpose and use of the City. The City**

Commission may authorize the sale of real property to another government entity without obtaining quotations or competitive bids. (Ord. 657-03-13, passed 3-4-13)

- (1) The City Commission shall determine if any parcel of City owned real property is not required for any existing or intended future public purpose and use of the City, but only after receiving a recommendation from the Planning Commission on any existing or intended future public purpose and use of the real property.
- (2) Upon referral by the City Commission, City Manager, or City Planner, the Planning Commission shall conduct a public hearing on any parcel of City owned real property and evaluate whether there is an existing or intended future public purpose and use of the parcel. If the Planning Commission recommends a determination of no existing or intended future public purpose and use of the real property, the Planning Commission shall recommend the sale of the real property, or retention of the real property for any potential public purpose or use identified by the Planning Commission.
- (3) At a minimum, City staff shall provide to the Planning Commission the following information on any parcel of City owned real property to be evaluated by the Planning Commission regarding any existing or intended future public purpose and use:
  - a. Date, terms, and instrument by which the property was acquired,
  - b. Restrictions, prohibitions, easements, and encumbrances of record affecting the property,
  - c. All known existing and intended public uses of the property,
  - d. What the Master Plan provides on or for the property,
  - e. The historical character and significance of the real property and/or the structures on it,
  - f. Probable market value of property if sold,
  - g. Whether the property is buildable or non-buildable.

**The following is to be added for consideration:**

- h. A Surplus Property List is to be created or expanded upon and would include property information including a field for comments related to quality and environmental issues of the property.**
- i. The City Attorney shall consider if a title search should be done by the City prior to being considered for surplus property by the Planning Commission. If so, the cost shall be passed along in the sale of the property to the buyer.**

**Motion passed with Renato Cerdena, Paul Jackson, John Schmidt, Tim Vogel, and Bill Yontz in favor.**

### **Sale of Property**

Sweppenheiser reported that City staff has been interested in a better way to market/sell surplus City property. He is thinking that the best way may be to list the property with a realtor. One problem with listing the property is that the City may wish to control what development may happen on a certain piece of property. Transferring to the Housing Commission was thought of but they don't feel that is necessary. It is thought that changing the way the sale of City land is regulated by the City may be helpful in getting rid of surplus property. With the proposed language, the City can decide on a case by case basis which mode of sale is most appropriate.

Schmidt thinks the wording provided by City Attorney Eric Williams is too loose. He also questioned the process for recommending surplus property for sale.

Sweppenheiser said that the Planning Commission would make a recommendation to the City Commission. Ideally, a realtor would be selected by bid process for professional services. By listing with an agent, it would allow for negotiations to take place and help to insure the City receives fair market value for the property.

Schmidt believes that the City Commission has too many options to select from in paragraph (C) of the proposed code amendment. He would like to see the options presented in bullet form. He stated that he thinks there are too few Commissioners to make this decision. He feels that the paragraph needs to be rewritten.

Sweppenheiser stated that they are trying to give options on the best way to dispose of the property. The City's surplus properties have not sold yet. Jackson wondered if it would really make a difference to the City if the surplus property did sell. He feels the best way to interest someone in buying surplus property is to advertise. Sweppenheiser said that normally if someone is interested in buying surplus property, they come into the City Hall and ask what is available. The City has a list of surplus properties.

Jackson asked if it would be a good idea to advertise the property once a year and perhaps sell as they do properties that are foreclosed and sold at a tax sale. Then, if it doesn't sell, it would remain on the list for the next year.

Sweppenheiser said that when the City needs property, we tend to pay over market value for it. On the other hand, when we want to sell, we don't get the value back. The City is always in need of property. The City Manager and City Commission have a big input as to which properties will be available for sale. The City should have options on the sale process rather than being limited to just sealed bids.

Jackson asked how other cities handle the sale of surplus property.

Cerdena said the definition of surplus property is that in which the City has no current or intended use. Sweppenheiser said just because the Planning Commission would recommend a property as surplus, the City Commission still has the final say.

The City rejected the donation of property on State Street where the El Burrito restaurant was located due to the fact that there is no public use for this site.

### **Motion**

**Motion was made by Bill Yontz, seconded by Tim Vogel, to recommend to the City Commission the Code Amendment for Sale of Property Section 34.54 which reads as follows:**

**(A) Whenever any City property, real or personal, is no longer required, it may be sold. The Purchasing Officer may sell personal property not exceeding \$2,500 in value for cash after soliciting quotations or competitive bids. Personal property of a value in excess of \$2,500 may be sold after advertising and soliciting competitive bids, with the approval of the City Commission.**

**(B) Sale of real property land by the City shall be made only after review and recommendation by the planning commission and determination formal sealed bids have been taken and approved by the City Commission that the real property is not required for any existing or intended future public purpose and use of the City. The City Commission may authorize the sale of real property to another government entity without obtaining quotations or competitive bids. (Ord. 657-03-13, passed 3-4-13)**

**(C) The City Commission can authorize by resolution the sale of real property owned by the City by:**

- 1.) a public offering and formal sealed bids, or
- 2.) an on-line auction and secure bid, or
- 3.) listing the real property with a real estate agent or agency on the open market on terms and conditions set by the City Commission, or
- 4.) by sale to another governmental entity,

with final approval of the terms of any bid or sale by the City Commission.

Motion passed unanimously with Renato Cerdena, Paul Jackson, John Schmidt, Tim Vogel, and Bill Yontz in favor.

### **Purposed Meeting**

Chairman Schmidt would like to set up a meeting with a representative of the City Commission, and ZBA to formalize the process for applications that come before the City Commission and Planning Commission and how they are handled. He would also like to discuss approaches to Zoning.

Schmidt stated that the Planning Commission needs to be proactive instead of reactive. He feels that the Planning Commission needs to have more say. He feels the Planning Commission should review and approve a site plan before the ZBA has a chance to grant a variance.

Sweppenheiser stated that the Ordinance doesn't specify which review should come first, Planning or ZBA, but currently the City brings a variance request to the ZBA before the Planning Commission reviews it for approval.

Since some of the Planning Commission members are unsure of the role of the Planning Commission and the ZBA, Vogel suggested that Eric Williams be asked to help with training.

### **November Meeting**

Sweppenheiser stated that since the November meeting would fall on the opening of deer season, November 15<sup>th</sup>, he would see if there is anything to put on the agenda and if not, call off the meeting. Or, if there is something that needs to be on the agenda the meeting date could be switched.

There being no further business, Chairperson Schmidt closed the meeting at 8:21 p.m. with all in favor.

Respectfully submitted,

Cynthia J. Plautz  
Planning Commission Secretary