



Environment Committee

Meeting date: August 11, 2009

For the Metropolitan Council Meeting of August 26, 2009

ADVISORY INFORMATION

Date:	August 5, 2009
Subject:	Authorization to Dispose of Surplus Property in Dayton using Real Estate Broker
District(s), Member(s):	District #1, Roger Scherer
Policy/Legal Reference:	Declaration and Disposal of Surplus Property; Minnesota Statute 473.129
Staff Prepared/Presented:	Bryce Pickart 651-602-1091
Division/Department:	MCES c/o William G. Moore 651-602-1162

Proposed Action

That the Metropolitan Council declare its residential property at 12900 Zachary Circle North in Dayton as surplus and authorize staff to contract with a real estate broker to sell the property for no less than its appraised value.

Background

In December 2005 the Council purchased the residential lot and house for the Dayton-Champlin Interceptor project. The residential lot, located at Dayton's border with Champlin, has been subdivided to create a small lot for a flow meter station. The house was used as a construction field office during construction of three separate Dayton-Champlin projects, the last of which is now concluding.

Council policy on disposal of surplus property was established by Council action 2006-36, which reads in part, *"The Council may sell such real surplus property to the highest bidder through a public bidding process, for no less than the appraised market value..."* Since the proposed sale is a residential property, staff recommends that contracting with a real estate broker (realtor) over an indefinite sale period offers the best opportunity to obtain at least the appraised value of this residential property.

Rationale

A real estate agent (broker) would be chosen by soliciting written proposals from several agents with experience in the Dayton-Champlin area. After reviewing the proposals selection would be made in the best interest of the Council by the Council's Associate Legal Counsel in consultation with the MCES Project Manager. In accordance with customary real property sales practice, the realtor would be paid an agreed percentage of the sale price only if they sell the property.

Funding

No funds are requested. Funds from the sale would be accrued back to interceptor project number 8010 originally used to purchase the property. Council action 2004-106 authorized land acquisition for that project.

Known Support/Opposition

The purchaser will know that the MCES flow meter is nearby and can weigh that fact into the purchase offer. Adjacent residences will most likely be supportive of returning the house to residential use.