



# Improvements to the Joint Referral Committee Process: Proposed Ordinance Changes

## **Presentation to Council Transportation, Technology & Infrastructure Committee**

**Gary W. Dzierlenga, Senior Assistant City Attorney, Legal Department**

**Mark L. Loethen, Deputy Director, Department of Public Works and Engineering**

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# Joint Referral Committee Task Force

- Role of JRC
- Membership
- Typical Matters
- Concerns with Process
- JRC Task Force
- Goals of the New Process – to streamline and improve the abandonment process

# Overview - Recommended Ordinance Revisions

- Adopt an ordinance to:
  - facilitate *easement exchanges* when the exchange will result in the City having a net increase in property value.
  - simplify and streamline Council's *appointments of appraisers*.

# Proposal 1

## Easement Exchanges

# Easement Exchanges

- The Charter requires that dispositions of a real property interest must be approved by Council.
- With these exchanges, the value of the easements that the City is receiving is greater than the value of the easement that the City is selling.
- Since the City will increase its property value, it will save time and effort to process these items administratively.

# Easement Exchanges

The proposed ordinance would add a new Code section, Section 2-242, that would allow easements to be exchanged if:

- Transaction involves only easements;
- The value of the property *conveyed* to the City is equal to or greater than the property value that is *relinquished* by the City; and
- The easement conveyed to the City serves a public purpose.

# Easement Exchanges – Ordinance Language

## **Sec. 2-242. Exchange of easements.**

- (a) The director of the department of public works and engineering is hereby authorized to approve the exchange of easements between the city and another property owner, without further action of the city council, upon determining that the following conditions exist:
- (1) The easement to be conveyed to the city contains square footage equal to or greater than the easement to be abandoned by the city in exchange;
  - (2) The market value of the easement to be conveyed to the city is equal to or greater than the market value of the easement that the city is to abandon;
  - (3) The proposed transaction involves only the exchange of easements and does not involve the abandonment and sale or conveyance of other real property interests; and
  - (4) The proposed easement to be conveyed to the city, in the sole opinion of the director of the department of public works and engineering, is necessary or appropriate for the operation of the city's public utility systems or would otherwise serve a public purpose.

# Easement Exchanges – Ordinance Language

## **Sec. 2-242. Exchange of easements (cont.)**

(b) The market value of the easement to be conveyed to the city shall be deemed to be equal to or greater than the market value of the easement that the city is to abandon, if:

(1) The easement to be conveyed to the city contains total square footage equal to or greater than easement to be abandoned by the city; and

(2) All easements involved in the exchange are within the same tract of land and are part of the same development project, in which case, the square footage and location of the parcels shall be sufficient evidence of their comparative value.

(c) If the conditions in subsection (b) of this section are met, the director shall not be required to appraise the value of the easements involved in the exchanges contemplated by this section, notwithstanding other provisions of this Code.

(d) Notwithstanding the foregoing, the director of the department of public works and engineering, in his discretion, may submit any proposed easement exchange to the city council for consideration.



# Proposal 2

## Appointment of Appraisers

# Appointment of Appraisers

Currently a “Two-Step” Process:

1. A *motion* is submitted to Council to appoint two appraisers, if the transaction involves more than \$1,000,000, and to advise Council of the abandonment requirements; then
2. An *ordinance* is submitted to Council after the requirements have been met, for Council to approve the transaction.

# Appointment of Appraisers

The proposed ordinance would amend Code Sec. 2-241 so that:

- PWE and GSD would submit a list of recommended appraisers to Council.
- Council would review the list.
- Council would pass a motion approving the list, which would satisfy the Charter requirement to appoint appraisers.
- PWE and GSD would engage appraisers on the list, without the requirement of a separate Council motion.
- A new list would be presented to Council as often as once a year, but no less than every three years.

Result: A “one-step” process for all abandonments.

# Appointment of Appraisers – Ordinance Language

## Sec. 2-241. Appointment of Appraisers

(b) The directors shall recommend qualified appraisers to the city council, and the council shall designate by ordinance a list of the city's appointed appraisers for a period of not less than one year nor more than three years. The directors shall engage appraisers as needed from the list of appointed appraisers pursuant to subsection (c) or subsection (d) on a rotating basis, engaging the next appraiser(s) on the list who has appropriate (i) appraisal qualifications for the type of real estate or interest therein being sold or leased (such as residential, commercial, or industrial) and of the size and complexity of the appraisal, and/or (ii) appraisal experience in the locality of the subject real estate.

# Appointment of Appraisers – Ordinance Language

(c) In any sale of real estate or interest therein for which the value is estimated to exceed \$1,000,000.00 or in any lease in which the value of the fee estate is estimated to exceed \$1,000,000.00, the director of public works and engineering or director of general services, as applicable, shall engage two qualified appraisers on the list of appointed appraisers for the purpose of determining fair market value.

(d) In any sale of real estate or interest therein for which the value is estimated to not exceed \$1,000,000.00, the director of public works and engineering or director of general services, as applicable, shall receive a minimum of one appraisal report from a qualified appraiser on the list of appointed appraisers for the purpose of determining fair market value. In any sale of real estate or interest therein for which the value is estimated to not exceed \$50,000.00, an appraisal report may be provided by a city employee with professional appraisal qualifications.

# Benefits

- Will reduce JRC and abandonment process time.
- Will eliminate duplicate/unneeded Council actions.
- Changes are supported by the development community.
- Effective date – The changes will be effective upon approval of the ordinances by Council. The current list appraisers will be used until another list is submitted for Council approval in the future.



## Improvements to the Joint Referral Committee Process

# Q&A

**Request the Committee's Recommendation of  
Approval to the Council**