

RESOLUTION No. 2021-01-04

ADOPTING A POLICY FOR THE SALE OF CITY-OWNED PROPERTY AND REAL ESTATE BROKERS COMMISSIONS

WHEREAS, the City of Fort Morgan owns numerous parcels of real property which the City Council has an interest in marketing and selling, to promote the construction and growth of residential, commercial and other types of development within the City; and,

WHEREAS, City Council therefore seeks to adopt a policy to clarify and direct City staff's approach to the sale of city-owned property, as well as the potential payment of real estate brokers commission regarding the same; and

WHEREAS, the purpose of such a policy is to set forth the various approaches the City of Fort Morgan will pursue to market and sell property which is planned to be developed in a manner that would satisfy a long-term objective of the City; and

WHEREAS, the City Council now desires to adopt a Policy for the Sale of City-Owned Property and Real Estate Brokers Commission, as found in "Exhibit A" of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT MORGAN, COLORADO:

Section 1: The City of Fort Morgan Policy for the Sale of City-Owned Property and Real Estate Brokers Commission is hereby adopted, as shown in the attached "Exhibit A."

INTRODUCED, PASSED, APPROVED AND ADOPTED this 19th day of January, 2021, the vote upon roll call being as follows:

Ayes: Mayor Shaver, Councilmembers Anderson, Deal, Kaper, Schossow and Urdiales

Nays: None

Absent /Abstain: Councilmember Lindell, Absent (excused)



THE CITY COUNCIL OF THE CITY OF
FORT MORGAN, COLORADO

BY: 

Ronald Shaver, Mayor

ATTEST:



John Brennan, City Clerk

STATE OF COLORADO)
COUNTY OF MORGAN)
CITY OF FORT MORGAN)

ss.

CERTIFICATE

I, John Brennan, City Clerk of the City of Fort Morgan, Colorado, do hereby certify that the above and foregoing **Resolution** is a true, perfect and complete copy of the **Resolution** adopted by the City Council and is identical to the original thereof appearing in the official records of the City of Fort Morgan, Colorado, and that the same has not been, since its adoption, in any respect, rescinded or amended.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the City of Fort Morgan this 19th day of January, 2021.



John Brennan, City Clerk

Exhibit A



**CITY OF FORT MORGAN
POLICY**

**Exhibit A to Resolution No. 2021-01-04
Approved & Adopted on: January 19, 2021**

**POLICY FOR THE SALE OF CITY-OWNED PROPERTY AND
REAL ESTATE BROKERS COMMISSIONS**

- I. Purpose. This purpose of this Policy is to set forth the various approaches the City of Fort Morgan will pursue to market and sell property which is planned to be developed in a manner that would satisfy a long-term objective of the City.
- II. Marketing.
 - A. Competitive offers for sale may be solicited from the open market through several marketing techniques, such as: requests for proposals (RFPs); a marketing subscription system; direct advertising; exposure through real estate services or the City website; posting or listing the property (by the City itself, or through a Realtor); a combination of the foregoing options; and/or any other appropriate means utilized by the Economic Development Department, the City Manager, and/or his/her designee.
 - B. Nothing in this Policy precludes the City from listing or advertising for sale or requesting proposals or seeking to sell the City-owned real property without the services of a listing or a real estate brokerage.
- III. Real estate agent or broker for City.
 - A. If, or when, it is determined that a parcel or parcels of real property owned by the City is to be sold by a real estate agent or broker, the City may authorize same with a non-exclusive right to sell real estate agreement with a real estate broker, licensed by the state of Colorado, and in a form approved by the City Attorney.
 - B. Selecting a licensed real estate broker to provide real estate services, if needed, will be accomplished by City staff based on the type of property to be marketed, relevant experience, knowledge of the community, proposed commission, qualifications, necessary licenses in good standing, and demonstrated competence.
- IV. The City reserves the right to accept or reject all offers and there is nothing stated in this Policy which shall obligate the City to accept an offer it deems unsatisfactory for whatever reason.
- V. Real estate commissions.
 - A. Unless there is a written contract between a real estate agent or broker and the City, the City shall represent itself and practice good business practices in all real estate transactions.
 - B. The City shall pay real estate brokers a commission rate of a certain percentage of the sale price, to be negotiated at the time with City staff.
 - C. The agent or broker that procures a buyer for the City may be eligible for a commission. The City may therefore pay a real estate brokerage fee for qualified representation of a selected purchaser of City property.

- D. The payment of any real estate brokerage fee, or commission, is contingent upon the broker(s) and the buyer agreeing to obtain approvals from City staff for all relevant agreements, documents and plans, up until and through the closing of the property.
 - This serves as way to confirm that the proposed project or development meets the City's needs and objectives.
- E. Any applicable real estate brokerage fees, commissions, shall be paid out at closing.

VI. Real estate agent or broker certification required. In addition to the foregoing, for any sale involving a real estate agent or broker not under contract to the City on designated properties, the City shall require, before payment of any real estate brokerage fee, the following:

- A. That the buyer certify that the real estate agent or broker is his/her agent in the transaction and has performed a service and procured the sale.
- B. That the real estate agent or broker certify that he or she is not an employee of the buyer.

VII. Financial Conflict of Interest. No employee or elected or appointed official of the City of Fort Morgan shall be compensated, or have a financial interest in an entity that is compensated, with funds from commissions or fees paid through this Policy.



**CITY OF FORT MORGAN
POLICY**

**Exhibit A to Resolution No. 2021-01-04
Approved & Adopted on: January 19, 2021**

**POLICY FOR THE SALE OF CITY-OWNED PROPERTY AND
REAL ESTATE BROKERS COMMISSIONS**

- I. Purpose. This purpose of this Policy is to set forth the various approaches the City of Fort Morgan will pursue to market and sell property which is planned to be developed in a manner that would satisfy a long-term objective of the City.
- II. Marketing.
 - A. Competitive offers for sale may be solicited from the open market through several marketing techniques, such as: requests for proposals (RFPs); a marketing subscription system; direct advertising; exposure through real estate services or the City website; posting or listing the property (by the City itself, or through a Realtor); a combination of the foregoing options; and/or any other appropriate means utilized by the Economic Development Department, the City Manager, and/or his/her designee.
 - B. Nothing in this Policy precludes the City from listing or advertising for sale or requesting proposals or seeking to sell the City-owned real property without the services of a listing or a real estate brokerage.
- III. Real estate agent or broker for City.
 - A. If, or when, it is determined that a parcel or parcels of real property owned by the City is to be sold by a real estate agent or broker, the City may authorize same with a non-exclusive right to sell real estate agreement with a real estate broker, licensed by the state of Colorado, and in a form approved by the City Attorney.
 - B. Selecting a licensed real estate broker to provide real estate services, if needed, will be accomplished by City staff based on the type of property to be marketed, relevant experience, knowledge of the community, proposed commission, qualifications, necessary licenses in good standing, and demonstrated competence.
- IV. The City reserves the right to accept or reject all offers and there is nothing stated in this Policy which shall obligate the City to accept an offer it deems unsatisfactory for whatever reason.
- V. Real estate commissions.
 - A. Unless there is a written contract between a real estate agent or broker and the City, the City shall represent itself and practice good business practices in all real estate transactions.
 - B. The City shall pay real estate brokers a commission rate of a certain percentage of the sale price, to be negotiated at the time with City staff.
 - C. The agent or broker that procures a buyer for the City may be eligible for a commission. The City may therefore pay a real estate brokerage fee for qualified representation of a selected purchaser of City property.

- D. The payment of any real estate brokerage fee, or commission, is contingent upon the broker(s) and the buyer agreeing to obtain approvals from City staff for all relevant agreements, documents and plans, up until and through the closing of the property.
 - This serves as way to confirm that the proposed project or development meets the City's needs and objectives.
- E. Any applicable real estate brokerage fees, commissions, shall be paid out at closing.

VI. Real estate agent or broker certification required. In addition to the foregoing, for any sale involving a real estate agent or broker not under contract to the City on designated properties, the City shall require, before payment of any real estate brokerage fee, the following:

- A. That the buyer certify that the real estate agent or broker is his/her agent in the transaction and has performed a service and procured the sale.
- B. That the real estate agent or broker certify that he or she is not an employee of the buyer.

VII. Financial Conflict of Interest. No employee or elected or appointed official of the City of Fort Morgan shall be compensated, or have a financial interest in an entity that is compensated, with funds from commissions or fees paid through this Policy.