

**Town of North Kingstown
Procedure for Disposition of Surplus Real Property**

I. Background

From time to time municipal real estate assets are deemed surplus to requirements. The town is authorized to dispose of surplus properties by law:

1. Rhode Island General Laws § 45-2-5

§ 45-2-5. Power to use, lease, or dispose of property no longer needed.

In addition to the powers previously granted by charter or the public laws of the state with respect to the purchase and sale of land, the city council of any city and the town council of any town, if it sees fit so to do, is hereby authorized, from time to time, to sell, lease, convey, or use for any other public or municipal purpose or purposes, or for any purpose whatsoever, any lands or properties owned by the city or town, which have been purchased, acquired, used, or dedicated in any manner for municipal or other public purposes, whenever, in the opinion of the city council or town council, the lands or properties have become unsuitable or have ceased to be used for those purposes.

History of Section.

(P.L. 1946, ch. 1798, § 1; G.L. 1956, § 45-2-5; P.L. 1959, ch. 45, § 1.)

2. Town of North Kingstown Charter

Sec. 105. - Property.

The town may acquire property within or without its corporate limits for any municipal purpose, in fee simple or any lesser interest or estate, by purchase, gift, devise, lease or condemnation, and may, subject to the provisions of section 314 of this Charter, buy, sell, mortgage, hold, manage and control such property as its interest may require.

(Charter Amend. of 4-23-1985)

Sec. 314. - Purchase, sale or lease of real property.

The council shall have the authority to purchase lands or other real properties for the town, and the authority to sell, lease or convey lands or real properties belonging to the town which it has the legal right to sell, lease or convey; provided, however, that the qualified electors of the town shall approve or reject said sale or conveyance, and any lease of town lands or properties which by its terms extends to a period of ten (10) or more years. Said approval or rejection shall be voted at the next following general or special election.

(Charter Amend. of 4-23-1985)

II. Proposal for Establishment of a Procedure for Real Property Disposition

In light of recent history, including the controversial disposition of the Annex (Old Library Building) and to-date unsuccessful marketing of the Wickford Elementary School, the Asset Management Commission proposes that the council consider establishment of a procedure to standardize future real property disposition.

Such a procedure would include provision for

1. An inventory of town-owned properties in which the town holds a fee interest with a classification of functional purposes and financial goals for each property.

For each property, the town will maintain a separate basic record including a record of how the property was acquired, a legal description of the property and relevant deeds, easements, liens and land evidence records (incorporated within a title search if available); a current estimated valuation of the property.

2. An identification of any such properties that are deemed surplus or may become obsolete within five (5) years.
3. A report on the status of municipal space requirements and sufficiency of current facilities (which should state the justification for space requirements for each department).
4. Create a system of property management and accounting tracking for revenues and expenses for each property, which also monitors occupancy of each town-owned property.

The property management system would include designation of the department to be charged with maintaining the inventory and establishment of criteria for declaration of surplus properties available for disposition.

5. For properties deemed surplus, preparation of a report to include the following:
A legal description of the property, description of circumstances under which the subject parcel was obtained, source and amount of funds for the property's acquisition; recommendation for which town fund should receive proceeds of sale; description of uses in the past and potential future uses; independent appraised value of the parcel; marketability of the parcel; opinion as to whether the parcel should be retained or disposed; recommendation as to special covenants or restrictions should be imposed; and any other special considerations.
6. For all municipal properties to be disposed which are valued over \$25,000, develop written rules to include an appraisal process, an internal bidding process, a public hearing upon designation of surplus property, a determination by the Town Council as to whether the property should be brought to a public referendum to authorize sale, and an assignment of staff to handle marketing and sale of surplus property.