

City of Pontiac
Real Estate Disposition Policy



Community Development Department
Economic Development Division



POLICY OVERVIEW

The Real Estate Disposition Policy facilitates the sale of City-owned properties. The City of Pontiac makes real estate available for purchase and redevelopment, and the Economic Development Division is authorized to accept purchase applications. These policies may be updated periodically and published on the City's website.

These policies should enhance the speed and efficiency with which the City is able to sell its real estate. The City has identified six different real estate types and the policies for each are outlined below.





I. SIDE LOTS

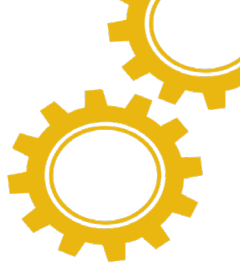
Objective

To sell certain City-owned vacant lots to owners of occupied residential property to be used for residential, recreational, or agricultural purposes.

Definition of a Side Lot

A "Side Lot" is defined as a parcel of property in the City's inventory that meets all the following criteria:

- {1) The lot must be a vacant residential property without a structure.
- {2) The lot must not exceed 7,500 square feet in size, and it must not measure more than 300 linear feet on any side.
- {3) The lot must be adjacent to an applicant's property that contains an occupied residential structure of 1-4 units (the "Applicant's Occupied Property"). Side Lots are (a) vacant lots adjacent to the Applicant's Occupied Property (left side, right side).
- {4) There must be no delinquent or currently due property taxes in connection with the lot.
- {5) The lot must (a) be zoned in one of the following residential R-1, R-2, R-3 zoning categories; or (b) if it is not, the City may choose to make it eligible as a Side Lot if the lot's most recent previous use was as a 1-4-unit residential structure.
- {6) A side lot purchase will require a lot combination at the purchaser's expense.
- {7) The City may choose to remove a property from Side Lot eligibility at any time and for any reason, including so that it can be sold pursuant to another City Disposition Program or to otherwise support broader City strategies.



Side Lot Purchaser Eligibility

To be eligible to purchase a property as a Side Lot, a prospective purchaser must meet all the following criteria:

- (1) The purchaser must hold title to the Applicant's Occupied Property, which could include being a purchaser (but not a seller) in a land contract agreement.
- (2) The purchaser must be current on property taxes or be in good standing with a payment with respect to all property owned in the City of Pontiac.
- (3) The purchaser must not own any real property (including both the contiguous lot and all other property in the City) that is subject to any un-remediated citation of the state and local codes and ordinances.
- (4) In the event that both adjacent property owners desire to acquire the same side lot, the lot may be transferred to the highest bidder for the property or divided and transferred among the interested contiguous property owners.

Pricing

Side lots are priced at \$500 plus the costs of lot combinations, taxes, and other property transfer fees.

II. ACCESSORY STRUCTURE LOTS

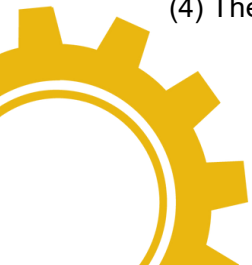
Objective


To sell certain City-owned lots improved by only one or more accessory structures to owners of occupied residential property to be used for residential, recreational, or agricultural purposes.

Definition of an Accessory Structure Lot

An "Accessory Structure Lot" is defined as a parcel of property in the City's inventory that meets all the following criteria:

- (1) The lot must be vacant except for one or more accessory structures. What constitutes an accessory structure is determined by the City and may include, among other structure types, garages, sheds, gazebos, or carports.
- (2) The lot must not exceed 7,500 square feet in size, and it must not measure more than 300 linear feet on any side and the accessory structure must not exceed 750 square feet in size.
- (3) The lot must be street adjacent to the Applicant's Occupied Property. Accessory Structure Lots are lots with an accessory structure street adjacent to the Applicant's Occupied Property (left side, right side), but not across an alley nor across the street.
- (4) There must be no delinquent or currently due property taxes in connection with the lot.





(5) The lot must (a) be zoned one of the following residential zoning categories R1, R2, or R3 (b) if it is not, the City may choose to make it eligible as an Accessory Structure Lot if the lot's most recent previous use was as a 1-4-unit residential structure.

(6) The accessory structure must meet all state and local codes and ordinances within one year of purchase. Or may be subject to revert to the City.

(7) An accessory lot purchase will require a lot combination at the purchaser's expense.

(8) The City may choose to remove a property from Accessory Structure Lot eligibility at any time and for any reason, including so that it can be sold pursuant to another City Disposition Program or to otherwise support broader City strategies.

Accessory Structure Lot Purchaser Eligibility

To be eligible to purchase a property as an Accessory Structure Lot, a prospective purchaser must meet all the following criteria:

(1) The purchaser must hold title to the Applicant's Occupied Property, which could include being a purchaser (but not a seller) in a land contract agreement.

(2) The purchaser must be current on property taxes or be in good standing with a payment plan with respect to all property owned in the City of Pontiac.

(3) The purchaser must not own any real property that is subject to that is subject to any un-remediated citation of the state and local codes and ordinances.

Pricing

Accessory Structure Lots are priced at \$500 plus the cost of lot combinations, taxes, and other transfer fees.

III. INFILL HOUSING LOTS


Objective

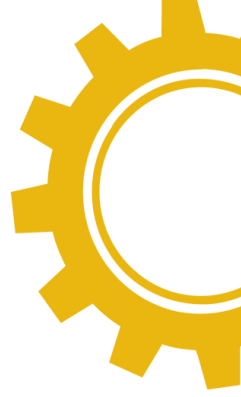
To encourage construction of new residential housing, including affordable housing, in the City.

Definition of an Infill Housing Lot

An "Infill Housing Lot" is defined as a parcel of property in the City's inventory that meets all the following criteria:

(1) The lot must be vacant except for one or more accessory structures. What constitutes an accessory structure is determined by the City and may include, among other structure types, garages, sheds, gazebos, or carports.





(2) The lot must not exceed 7,500 square feet in size, and it must not measure more than 300 linear feet on any side and the accessory structure must not exceed 750 square feet in size.

(3) The lot may or may not be adjacent to an occupied residential unit.

(4) There must be no delinquent or currently due property taxes in connection with the lot.

(5) The lot must (a) be zoned one of the following residential zoning categories RI, R2, or R3 (b) if it is not, the City may choose to make it eligible as an Infill Housing Lot if the lot's most recent previous use was as a 1-4-unit residential structure.

(6) The City may choose to remove a property from Infill Housing Lot eligibility at any time and for any reason, including so that it can be sold pursuant to another City Disposition Program or to otherwise support broader City strategies.

(7) In the event that there are more than one interested purchaser, the City shall select purchaser through a comprehensive selection process that may weigh factors including, price, community benefit, purchaser experience and financial capacity, proposed use of the lot, and support of neighbors and local organizations.

Infill Housing Lot Purchaser Eligibility

To be eligible to purchase property as an Infill Housing Lots, a prospective purchaser must meet all the following criteria:

(1) The purchaser must use the lot to support the development of new housing.

(2) There must be no delinquent or currently due property taxes in connection with the lot.

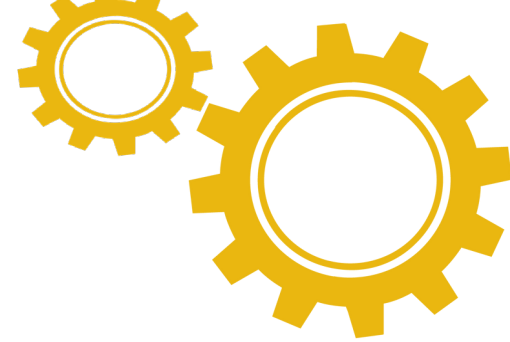
(3) The purchaser must be current on all property taxes or be in good standing with a payment plan with respect to all property owned in the City of Pontiac.

(4) The purchaser must not own any real property that is subject to any un-remediated citation of state and local codes or ordinances.

(5) The purchaser must provide a thorough description of the proposed development.

(6) The purchaser must be in good standing with any agreements the purchaser is party to with the City.

(7) The purchaser must enter into development agreement with the City setting forth the terms of development, including, experience and capacity, development's type and density, schedules and timelines for development and construction, financial capacity to complete the development and targeted populations. Lots will revert to the City for failure to comply with the terms and conditions of the development agreement.



IV. COMMERCIAL UNBUILDABLE PARCELS

Objective

To sell certain City-owned vacant parcels to commercial entities to be used for commercial or industrial purposes.

Definition of an Unbuildable Parcel

An "Unbuildable Parcel" is defined as a parcel of property in the City's inventory that meets all the following criteria:

- (1) The parcel must be a vacant commercial or industrial property without a structure.
- (2) The parcel must not have an apparent way to develop either due to zoning, access, or size.
- (3) The parcel must be adjacent or near an applicant's existing or proposed commercial or industrial property and necessary to support the business enterprise.
- (4) There must be no delinquent or currently due property taxes in connection with the parcel.
- (5) The parcel must be zoned in accordance with the intended use.
- (6) The City may choose to remove a property from Unbuildable Parcel eligibility at any time and for any reason, including so that it can be sold pursuant to another City Disposition Program or to otherwise support broader City strategies.

Unbuildable Parcel Purchaser Eligibility

To be eligible to purchase a property as an Unbuildable Parcel, a prospective purchaser must meet all the following criteria:

- (1) The purchaser must hold title to the parcel(s) where the business is operated.
- (2) The purchaser must be current on property taxes or be in good standing with a payment plan entered into with the Oakland County Treasurer's Office with respect to all property owned in the City of Pontiac.
- (3) The purchaser must not own any real property in the City that is subject to any un-remediated citation of the state and local codes and ordinances.
- (4) If there are more than one interested purchaser, the City shall select purchaser through a comprehensive selection process that may weigh factors including, price, community benefit, purchaser experience and financial capacity, proposed use of the lot, and support of neighbors and local organizations.

Pricing

Unbuildable Parcels are priced at taxable value plus the taxes, property transfers and parcel combinations fees.



V. COMMERCIAL BUILDABLE PARCELS

Objective

To sell certain City-owned vacant parcels to commercial entities to be used for commercial or industrial purposes.

Definition of an Unbuildable Parcel

A "Buildable Parcel" is defined as a parcel of property in the City's inventory that meets all the following criteria:

- (1) The parcel must be a vacant commercial or industrial property without a structure.
- (2) There must be no delinquent or currently due property taxes in connection with the parcel.
- (3) The parcel must be zoned in accordance with the intended use.
- (4) The purchaser must enter into a development agreement which reverts the parcel(s) back to the City if the terms and conditions of the agreement are not met.
- (5) If there are more than one interested purchaser, the City shall select purchaser through a comprehensive selection process that may weigh factors including, price, community benefit, purchaser experience and financial capacity, proposed use of the lot, and support of neighbors and local organizations.
- (6) The City may choose to remove a property from Unbuildable Parcel eligibility at any time and for any reason, including so that it can be sold pursuant to another City Disposition Program or to otherwise support broader City strategies.


Buildable Parcel Purchaser Eligibility

To be eligible to purchase a property as an Unbuildable Parcel, a prospective purchaser must meet all the following criteria:

- (1) The purchaser must provide a detailed development plan with timelines and schedules, that demonstrates experience and financial capability.
- (2) The purchaser must be current on property taxes or be in good standing with a payment plan entered into with the Oakland County Treasurer's Office with respect to all property owned in the City of Pontiac.
- (3) The purchaser must not own any real property in the City that is subject to any unremediated citation of the state and local codes and ordinances.

Pricing

Buildable Parcels are priced at fair market value plus the taxes, property transfers and parcel combinations fees.





VI. IMPROVED REAL ESTATE

Objective

To sell City-owned improved real estate for redevelopment purposes.

Definition of Improved Real Estate

"Improved Real Estate" means real estate in the City's inventory on which there is a structure or enclosure and is subject to the following criteria:

- (1) The City may choose to remove a property from Improved Real Estate at any time and for any reason, including so that it can be sold pursuant to another City Disposition Program or to otherwise support broader City strategies.
- (2) In the event that there is more than one interested purchaser, the City shall select purchaser through a comprehensive selection process that may weigh factors including, price, community benefit, purchaser experience and financial capacity, proposed use of the lot, and support of neighbors and local organizations.

Improved Real Estate Purchaser Eligibility

To be eligible to purchase Improved Real Estate, a prospective purchaser must meet all the following criteria:

- (1) The purchaser must use Improved Real Estate to support redevelopment projects.
- (2) There must be no delinquent or currently due property taxes in connection with the Real Estate.
- (3) The purchaser must be current on all property taxes or be in good standing with a payment plan with respect to all property owned in the City of Pontiac.
- (4) The purchaser must not own any real property that is subject to any un-remediated citation of state and local codes or ordinances.
- (5) The purchaser must provide a thorough description of the proposed development.
- (6) The purchaser must be in good standing with any agreements the purchaser is party to with the City.
- (7) The purchaser must enter into development agreement with the City setting forth the terms of development, including, experience and capacity, development's type and density, schedules and timelines for development and construction, financial capacity to complete the development and targeted populations. Improved Real Estate will revert to the City for failure to comply with the terms and conditions of the development agreement.