

City of Sioux Falls

Negotiated Sale for Redevelopment Property

Program Overview

A Negotiated Sale is a process that facilitates the sale of City-owned properties. The City of Sioux Falls has identified real estate available for purchase and redevelopment, and the City Planning and Development Services Department (PDS) is one of the City departments authorized to accept purchase applications.

Properties Available for Purchase by Negotiated Sale

PDS has identified City-owned properties located in desired areas of redevelopment for purchase by negotiated sale. Most properties consist of vacant land, but can also include improved properties. To find out whether a particular property is City-owned and available for sale under the negotiated sale process, contact PDS at (605) 367-8888.

Eligibility to Purchase City Property by Negotiated Sale

The purchaser must be able to demonstrate the financial ability and experience necessary to complete the purchase and the proposed development. All applications to purchase City-owned properties under the negotiated sale process must include a proposal to develop the property in accordance with the requirements for each individually listed property. PDS will provide applicants with copies of the appropriate information pertaining to those requirements.

Sale Price

The value of the property is established by a market value appraisal prepared by an independent appraiser hired and compensated by the City. The City may recommend a write-down from the appraised value only when the proposed development meets the redevelopment goals of the community and provides tangible public benefits, such as accessible housing units, new or retained jobs, or a substantial community investment.

Availability of Financial Incentives

Redevelopment projects that will provide tangible public benefits may be eligible for various forms of financial assistance, such as tax increment financing (TIF) and property tax reduction. Eligibility for most financial assistance programs requires a property location in a designated redevelopment area. For more information on the various assistance programs administered by PDS, visit the department's website at www.sioxfalls.org. Separate applications must be submitted for each financial assistance program at the time of proposal.

Application and Approval Process

Applicants must complete the attached application form and submit it, along with all required supporting documents to PDS. PDS will review the application to confirm that it meets the standards and requirements associated with the property listing. Following confirmation of a qualifying offer, then a negotiation phase for the Purchase and Development Agreements will occur. Once the negotiation phase has commenced the proposer will be announced to the City Council.

The Purchase and Development Agreements are contracts that commit the purchaser to complete the proposed redevelopment project within a specified time frame. Upon completion of the Purchase and Development Agreements being negotiated, the agreements are presented to City Council for consideration. The negotiated sale is not complete until the Purchase and Development Agreements have been approved by the City Council, signed by all parties, and closing of the sale has occurred.

For information on the development goals and requirement for each property, contact PDS at (605) 367-8888 or visit the department's website at www.siouxfalls.org. The Negotiated Sale program overview and application form can be downloaded from the website.