**Marshall House Sale FAQ**

**January 2021**

1. ***Can the City of Marshall sell Marshall House?***

Yes. City staff met with HUD and received direction that City Council may approve the sale of Marshall House without restrictions.

1. ***Why is the City interested in selling Marshall House?***

Marshall House is not a core function of the City and there are other entities that specialize in providing this service.

1. ***Will the residents of Marshall House lose their housing?***

No. The City’s top priority in selling Marshall House will be the maintenance of the Section 8 contract that provides subsidies for Marshall House residents.

1. ***Will the residents of Marshall House lose their Section 8 subsidy?***

No. The City signed a new twenty (20) year agreement last year, which provides the subsidy. Maintaining this contract is the top priority in considering any potential buyer.

1. ***How long will the Section 8 subsidy stay in place?***

The contract currently expires in September 2040.

1. ***What are the cities priorities in choosing a buyer for Marshall House?***
2. Maintain the Section 8 subsidy and ensure it remains affordable housing. 2. The buyer should have Section 8 experience and have an extremely positive reputation. 3. What are the potential buyers plans for the facility (improvements, operations, etc). 3. Purchase price.
3. ***Does the City plan to market Marshall House for sale itself?***

No. The City is releasing a Request for Proposals (RFP) for a real estate broker to assist in marketing the property to potential buyers.

1. ***What is the value of Marshall House?***

City Staff have worked with two brokers, who work in the affordable housing industry, and have received valuations of $7 million to $9 million. The range depends on the type of sale and tax treatment after the sale.

1. ***What would the City do with the proceeds from the sale of Marshall House?***

The city is exploring options to place the principal in an account and use the investment gains to benefit the community. This will provide a permanent source of money for capital projects.

1. ***What type of projects could be funded with the proceeds and endowment funds?***

The following projects are examples that have been identified as possible uses for funds derived from the Marshall House Sale: Brooks Fountain Repairs and Renovations, extension of trails and the Riverwalk, park improvements, capital needs for the police and fire departments, maintenance of the City Hall Clock Tower, and other capital needs.

1. **Who will make the final decision to sell Marshall House?**

The City Council will make the final decision after receiving bids from interested parties.

1. ***How can I be kept informed on the sale of Marshall House?***

A page will be created on the City’s web site that will contain information as it becomes available through the process. Additional information may be shared through the city’s social media sites.

1. ***How many bids did the City receive from their Real Estate Broker RFP and who is the recommended company?***

The City received 5 proposals to the Request for Proposals that was issued in January 2021 for Real Estate Broker Services. Three companies were chosen to interview for the contract with City Staff recommending AHA/Marcus & Millichap as the preferred choice.