

INTRODUCED: January 14, 2008

AN ORDINANCE No. 2008-1-81

As Amended

To amend City Code § 42-41, concerning the disposition of funds from sale of real estate and certain insurance proceeds, to provide that the use of proceeds from the sale of surplus school properties shall be limited to new school construction and the repair and renovation of active school buildings.

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Patron – President Pantele and Ms. Robertson

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Approved as to form and legality  
by the City Attorney  
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PUBLIC HEARING: February 25, 2008 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 42-41 of the Code of the City of Richmond (2004) be and is hereby amended and reordained as follows:

**Sec. 42-41. Disposition of funds from sale of real estate and certain insurance proceeds.**

(a) Utility properties. When payments are made to the city of money arising from the sales of real estate acquired with funds provided by the gas utility, water utility, wastewater utility or electric utility or from insurance payments for insured structures used by the gas utility, water utility, wastewater utility or electric utility totally or substantially destroyed by fire or other causes, the director of finance shall credit such receipts to the gas utility renewal fund,

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water utility renewal fund, wastewater utility renewal fund or electric utility renewal fund, as the case may be.

(b) School properties.

(1) When payments are made to the city of money arising from the sales of real estate owned by the city in accordance with section 26-11 of this Code or transferred to the city in accordance with Code of Virginia, § 22.1-129, the director of finance shall credit such receipts, except for the withholding described in subdivision (2) of this subsection, to the reserve fund for permanent public improvements to be specifically earmarked and used only for the construction of new school properties or for the capital repair or renovation of existing active school properties.

(2) The director of finance shall withhold from the payments described in subdivision (1) of this subsection the city's actual costs incurred for maintenance, upkeep and sale of the real estate from the time the city assumes control of the property until the property is sold. The city's costs incurred may include, but shall not be limited to, boarding windows and building safety, maintaining grass and landscaping, security, repairs related to roofing and other internal systems, operating and maintaining pipes and other utilities, marketing expenses, reproduction of building plans, advertising, closing costs including attorney's fees, and appraisal services.

(c) Other city properties. When payments are made to the city of money arising from the sales of all other real estate or from insurance payments for all other insured structures totally or substantially destroyed by fire or other causes, the director of finance shall credit such receipts to the reserve fund for permanent public improvements.

§ 2. That Resolution No. 2001-R63-62, adopted April 23, 2001, be and is hereby repealed.

§ 3. This ordinance shall be in force and effect upon adoption.

**A TRUE COPY:**

**TESTE:**

*Lou Brown Ali*  
**City Clerk**