

INTRODUCED: April 13, 2015

AN ORDINANCE No. 2015-84-65

To declare surplus and to direct the conveyance of City-owned real estate located at 2534 Nine Mile Road for a price of \$15,000 to Bon Secours – Richmond Community Hospital, Incorporated for the purpose of developing the property as a medical facility and mixed-use development.

Patron – Mayor Jones

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: APR 27 2015 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. The real estate owned by the City of Richmond located at 2534 Nine Mile Road and identified as Tax Parcel No. E000-0712/008 in the 2015 records of the City Assessor hereby is declared surplus real estate and is directed to be conveyed for a price of \$15,000 to Bon Secours – Richmond Community Hospital, Incorporated for the purpose of developing the property as a medical facility and mixed-use development in accordance with the applicable provisions of Chapter 26 of the Code of the City of Richmond (2004), as amended, the Charter of the City of Richmond (2010), as amended, the Code of Virginia (1950), as amended, and the Constitution of Virginia.

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: APR 27 2015 REJECTED: _____ STRICKEN: _____

§ 2. That, pursuant to section 26-86(b) of the Code of the City of Richmond (2004), as amended, the Chief Administrative Officer is hereby directed to execute, on behalf of the City, the deed and such other documents, all of which must first be approved as to form by the City Attorney, as may be necessary to consummate the conveyance of such property.

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



CITY OF RICHMOND
INTRACITY CORRESPONDENCE

RECEIVED

APR 01 2015

OFFICE OF CITY ATTORNEY

O&R REQUEST

DATE: March 25, 2015

EDITION: 1

TO: THE HONORABLE MEMBERS OF CITY COUNCIL

THROUGH: THE HONORABLE DWIGHT C. JONES, MAYOR *Def.*

THROUGH: CHRISTOPHER L. BESCHLER, INTERIM CHIEF ADMINISTRATIVE OFFICER *CP*

THROUGH: NORMAN BUTTS, DEPUTY CHIEF FINANCIAL OFFICER, FINANCE & ADMINISTRATION *NB*

THROUGH: JAY A. BROWN, INTERIM DIRECTOR, BUDGET AND STRATEGIC PLANNING *JAB*

THROUGH: PETER L. DOWNEY, INTERIM DEPUTY CHIEF ADMINISTRATIVE OFFICER, ECONOMIC DEVELOPMENT & PLANNING *PLD*

FROM: DOUGLAS C. DUNLAP, INTERIM DIRECTOR, ECONOMIC & COMMUNITY DEVELOPMENT *DCD*

RE: TO DECLARE AS SURPLUS AND AUTHORIZE THE CHIEF ADMINISTRATIVE OFFICER TO CONVEY THE CITY-OWNED PROPERTY LOCATED AT 2534 NINE MILE ROAD TO BON SECOURS – RICHMOND COMMUNITY HOSPITAL, INC.

ORD. OR RES. No. _____

PURPOSE: To declare as surplus and authorize the Chief Administrative Officer to convey the City-owned property located at 2534 Nine Mile Road (Tax Parcel # E0000712008) to Bon Secours – Richmond Community Hospital, Inc. (Bon Secours)

REASON: To authorize the Chief Administrative Officer to enter into any necessary agreements to convey the subject property (Tax Parcel # E0000712008) to Bon

O & R Request

Secours for the current assessed property value of \$15,000. This vacant and underutilized 0.077 acre parcel adjoins approximately 1.595 acres of property that Bon Secours is in the process of acquiring for the purpose of developing a Medical Village mixed use development. A viable offer has been made to acquire and develop this property as more fully described below. By selling this property the City will stimulate private investment, job creation and economic development in the area.

RECOMMENDATION: The City Administration, Economic and Community Development recommend approval.

BACKGROUND:

The subject property is located at 2534 Nine Mile Road on approximately 0.077 acres of vacant land. The City's current assessed value for the parcel is \$15,000. The property is now owned and maintained by the Department of Public Works. The property was previously declared surplus by Ordinance #2005-344-2006-25. The property is not currently being utilized and is contiguous to property owned by the RRHA that Bon Secours is in the process of acquiring. . Bon Secours plans a Medical Village mixed use development with on approximately 1.6721 acres of land in total including the subject parcel. A portion of the proposed 25,000 square foot building will be built on the subject parcel. Pursuant to the Performance Agreement between the Economic Development Authority and Bon Secours dated July 8, 2013, Bon Secours is obligated to develop additional medical and related facilities at or near their existing hospital campus or at an alternate site. The Performance Agreement notes that Bon Secours' obligations are subject to acquiring all the land for their expansion project or identifying an alternate site agreeable to both parties. Bon Secours estimates overall construction costs for the entire expansion project are \$8.5 million with 75 Full Time Employees and an annual payroll of \$6.7 million.

Bon Secours has offered \$15,000 for the property. The property is currently assessed at \$15,000.

It is recommended that the City sell the subject surplus property to Bon Secours to stimulate private investment, job creation and economic development in the area.

FISCAL IMPACT/COST TO CITY: The sale of this property will result in \$15,000 in sales proceeds.

REVENUE TO CITY: The City will receive sale proceeds in the amount of \$15,000, which will be deposited into the RPI Fund. In addition, the property will become taxable real estate on the City's real estate tax rolls.

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: April 13, 2015

CITY COUNCIL PUBLIC HEARING DATE: April 27, 2015

O & R Request

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: City Planning Commission, April 20, 2015

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Mayor, Chief Administrative Officer, Public Utilities, Finance, Budget, Public Works, Economic Development and Community Development

RELATIONSHIP TO EXISTING ORD. OR RES.: 2005-344-2006-25, 2012-214-192 and 2012-230-218.

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS:

STAFF: Doug Dunlap, Economic & Community Development 646-6822
Jane Ferrara, Economic & Community Development 646-6737
Paul McClellan, Economic & Community Development 646-30611
