

INTRODUCED: December 12, 2022

AN ORDINANCE No. 2022-363

To declare surplus and to direct the sale of a portion of the City-owned real estate known as 4835 Old Warwick Road, consisting of 0.1912 acres $\pm$ to Tana Properties LLC for \$8,579.00, for the purpose of facilitating private redevelopment of City-owned property.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JAN 9 2023 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That, notwithstanding any provision of section 8-58 of the Code of the City of Richmond (2020), as amended, to the contrary, a portion of the City-owned real estate owned known as 4835 Old Warwick Road, consisting of an approximately 0.1912 portion, identified as Tax Parcel No. C008-0224/006 in the 2022 records of the City Assessor, and labeled as “0.1912 Acres in Portion of Campbell Road to be Conveyed” on the survey entitled “Plat Showing Improvements on #2600, #2606 Broad Rock Boulevard and a 0.1912 Acre Portion of Unimproved Campbell Road on the West Side of Broad Rock Boulevard, North of Bryce Lane, in the City of Richmond, Virginia,” prepared by Harvey L. Parks, Inc., and dated May 31, 2022, a copy of which

AYES: 8 NOES: 0 ABSTAIN: _____

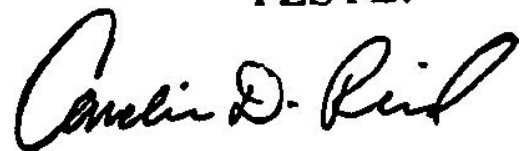
ADOPTED: JAN 9 2023 REJECTED: _____ STRICKEN: _____

is attached to and made a part of this ordinance, hereby is declared surplus real estate and is directed to be conveyed to Tana Properties LLC for \$8,579.00, for the purpose of facilitating private redevelopment of City-owned property in accordance with the applicable provisions of Chapter 8 of the Code of the City of Richmond (2020), as amended, the Charter of the City of Richmond (2020), as amended, the Code of Virginia (1950), as amended, and the Constitution of Virginia.

§ 2. That 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 the real estate owned by the City of Richmond located at 4835 Old Warwick Road and identified as Tax Parcel No. C008-0224/006 in the 2022 records of the City Assessor.

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

**A TRUE COPY:
TESTE:**

A handwritten signature in black ink, appearing to read "Carmelin D. Reif". The signature is fluid and cursive, with a large initial 'C' and a long, sweeping tail.

City Clerk



O&R REQUEST

DATE: November 10, 2022

EDITION: 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: Lincoln Saunders, Chief Administrative Officer

THROUGH: Sharon L. Ebert, DCAO – Planning & Economic Development Portfolio

FROM: Christopher Nizamis - Economic Development/Real Estate Strategies

Yvette Preston – Economic Development/Real Estate Strategies

RE: Sale of a 0.1912 acre portion of a City-owned parcel of real estate

ORD. OR RES. No. _____

PURPOSE:

To declare surplus and direct the conveyance of the City's rights, title and interest, if any, in an approximately 0.1912 acre portion (the "Conveyance Property") of a larger (22.32 acre) City-owned parcel of real estate located at 4835 Old Warwick Road (Tax Parcel No. C0080224006) for \$8,579.00 to Tana Properties LLC for the purpose of facilitating the private development of real estate on the Conveyance Property and privately-owned parcels adjacent thereto. The Conveyance Property is shown labeled on the survey attached hereto as "0.1912 Acres in portion of Campbell Road to be conveyed." The conveyance will be made via quitclaim deed without the City providing any warranty of title.

REASON: An ordinance is necessary to convey the City's rights, title, and interest in the Conveyance Property to Tana Properties LLC and facilitate private redevelopment that yields a higher and better use on city-owned property and creates tax revenue.

RECOMMENDATION: The City Administration recommends approval.

BACKGROUND:

Tana Properties LLC is a local developer who developed the Family Dollar, the BP Gas Station and Buzz Thru laundromat on Broad Rock, as well as the Buzz Thru Car Wash on Hull Street & Midlothian Turnpike. These developments are owned in various LLC names including DAMOK LLC, EDAK LLC, IDAS LLC, Tana Properties, Buzz Thru Car Wash LLC and others. Cumulatively, these developments have added over a million dollars to the City of Richmond tax base.

Acquiring this small undeveloped and unused portion of the parcel that contains Broad Rock Park would enable Tana Properties, LLC to have a contiguous parcel allowing them to maximize the development potential of the site and usage in the existing B-2 zoning. Proposed plans for this acquisition would allow for required parking to support the existing laundromat and the planned new 10,000 square foot, 2-story mixed use building to include a restaurant, food market and apartments in keeping with the Community Mixed Use plan as described in the Richmond 300 Comprehensive Plan.

Summary of Terms and Community Benefits

- **Purchase Price**
 - \$8,579.00 (based on Tana Properties LLC's recent purchase of the .3266-acre 2600 Broad Rock Blvd in January 2022 for \$15,000 equates to approximately \$45,928/acre and further supports the purchase price for the subject parcel at \$8,759.00).
- **Projected Tax Revenues**
 - \$14,091± /year for the cumulative property assemblage.
 - Taxable parcel –land and all improvements will be taxable.
 - The taxable nature of the land and improvements will be conditioned in the deed
 - Following Closing and on an annual basis Tana Properties LLC or its successor shall pay the real estate taxes levied on the Property.
- **Community Benefits**
 - Capital investment of \$1.2 million into the local community.
 - Annual tax revenue of \$14,091± /year for the cumulative property assemblage.
 - 30-50 construction and permanent jobs.
 - 5-10 rental apartments.

FISCAL IMPACT / COST: \$8,579 in direct revenue to the City from the Purchase Price.

FISCAL IMPLICATIONS: The City of Richmond stands to receive an increase in future real revenues due to taxes levied on the new development to be built by Tana Properties LLC.

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: The City of Richmond stands to receive (1) \$8,579 in direct revenue from the Purchase Price and (2) an increase in future revenues due to taxes levied on the improvements built by Tana Properties LLC.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: December 12, 2022

CITY COUNCIL PUBLIC HEARING DATE: January 9, 2023

REQUESTED AGENDA: Regular

RECOMMENDED COUNCIL COMMITTEE: No Committee referral due to Council Rules of Procedure.

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: Planning Commission.

AFFECTED AGENCIES: Economic Development, Parks and Recreation, City Attorney's Office

RELATIONSHIP TO EXISTING ORD. OR RES.: N/A

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS:

Offer Letter from Tana Properties LLC.,
Survey Maps of Proposed Conveyed Land
Bryce Lane Mixed Use Concept Plan
Richmond 300 Future Land Use Map
Aerial Images
Richmond Parcel Mapper
Citizens Bank and Trust Preapproval Letter
Memorandum of Unsolicited Offer

STAFF:

Matt Welch, Senior Policy Advisor – Planning & Economic Development Portfolio
Christopher Nizamis - Real Estate Manager/Real Estate Strategies
Yvette Preston – Real Estate
Analyst/Real Estate Strategies

Offer to Purchase

We wish to purchase an unused 20' wide alley that is currently part of Broad Rock Park. The alley is between 2600 and 2606 Broad Rock Blvd, two parcels owned by Daniel Moreka. The alley is shown as Campbell Rd Unimproved on the survey of 2600 Broad Rock Blvd.

Mr. Moreka, developed the Family Dollar, the BP Station and Buzz Thru Laundromat on Broad Rock, and the Buzz Thru Car Washes on Hull and Midlothian Tpk. The properties are owned in various LLC names including DAMOK LLC, EDAK LLC, IDAS LLC, Tana Properties, Buzz Thru Car Wash LLC and others. These developments have added over a million dollars to the tax base. A bank approval letter is attached for your review.

**Daniel Moreka
2869 Broad Rock Blvd
Richmond, VA 23224
804-310-4393**

Acquiring this alley would enable us to have a contiguous lot which will maximize the usage in the existing B-2 zoning. We wish to utilize the 2600 Broad Rock parcel as parking for the existing commercial building at 2606 Broad Rock, which includes a laundromat, and soon to be opened restaurant and market.

Creating the new parking area would allow the existing parking behind the laundromat to be used for the mixed-use building we will be developing. This is tentatively planned as a 10,000 square foot, 2 story building with commercial space below and apartments above, in keeping with the Community Mixed Use as described in the Richmond 300 Comprehensive Plan. The anticipated capital investment is about \$1.2 million, adding jobs and much needed housing in the 9th District, and substantially increasing the tax base.

Our recent purchase of the .3266-acre 2600 Broad Rock Blvd lot for \$15,000 in Jan 2022 is \$45,928 per acre. It is shown as an invalid sale, foreclosure which is not accurate. We purchased it with a quit claim deed because there were encroachments which have since been corrected. You are welcome to contact the former owner, Offender Aid and Restoration to confirm that this was a valid,

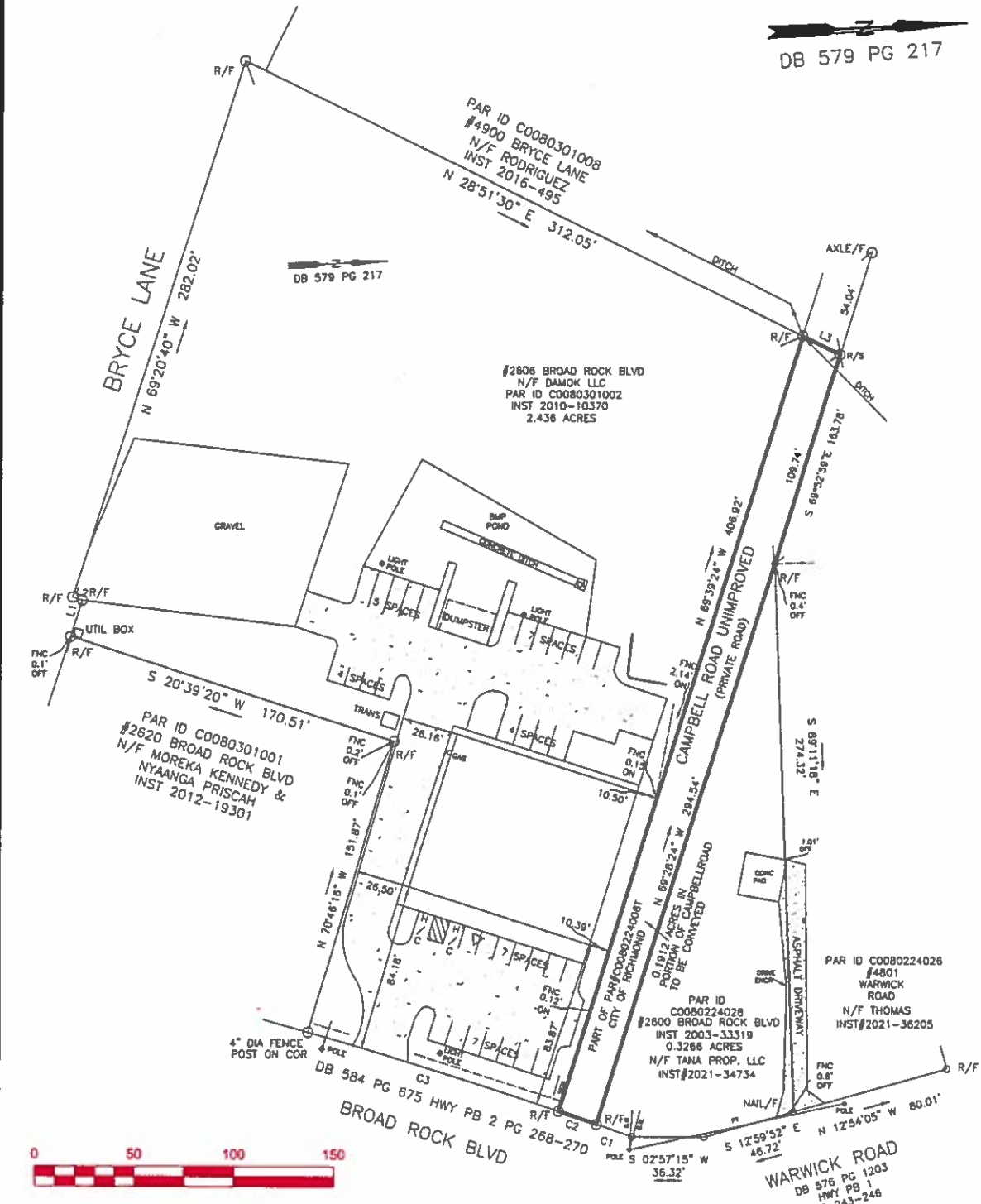
arms-length transaction. Ethan Lindbloom, Treasurer OAR,
elindbloom@janney.com.

This purchase would include approximately 407' along the north boundary of the 2606 Broad Rock parcel, by the 20' width of the alley or .1868 acres. The recent purchase of the 2600 Broad Rock parcel at \$45,928 per acre, suggests a purchase price for this alley at \$8579.

Chris Nizamis at the Department of Economic Development told us that Deborah Morton at Parks and Rec has stated that the property is of no use to the park, and she considers it to be surplus property.

THIS IS TO CERTIFY THAT ON 07-28-2022,
I MADE AN ACCURATE FIELD SURVEY OF THE PREMISES
SHOWN HEREON AND THAT THERE ARE NO EASEMENTS
OR ENCROACHMENTS VISIBLE ON THE GROUND OTHER
THAN THOSE SHOWN HEREON.

THIS PROPERTY IS IN A U.S. DEFINED FLOOD
HAZARD AREA, ZONE X, AS SHOWN ON FIRM
COMMUNITY PANEL #51012900760, DATED 04/03/2008.



LINE	BEARING	DISTANCE
L1	N 69°25'10" W	118.94'
L2	S 20°39'20" W	5.00'
L3	N 28°51'30" E	20.73'

CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	BEAT ANGLE
C1	2921.79	118.97	18.97	S 71°56'25" W	0°22'18"
C2	2921.79	120.07	20.00	S 71°33'22" W	0°23'31"
C3	2921.79	131.75	131.77	S 20°04'11" W	0°23'57"

THIS SURVEY IS SUBJECT TO ANY EASEMENTS
OF RECORD AND OTHER PERTINENT FACTS
WHICH A TITLE SEARCH MIGHT DISCLOSE.

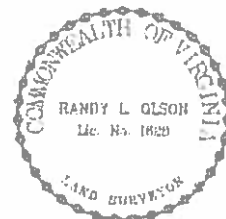
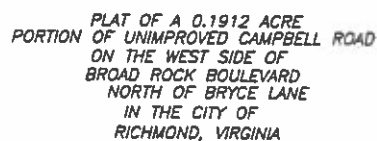
HARVEY L. PARKS, INC.
4508 W. HUNDRED ROAD
CHESTER, VA.
PHONE: 804-748-8641
EMAIL: SURVEYS@HARVEYLPARKS.COM

DATE: MAY 31, 2022 SCALE: 1"=50'
DRAWN BY: H.T.J.
CHECKED BY: R.L.O.
F.BK.: X637, PG. 54 X63754.dwg

PLAT SHOWING IMPROVEMENTS ON
#2600, #2606 BROAD ROCK BOULEVARD AND A
0.1912 ACRE PORTION OF UNIMPROVED CAMPBELL ROAD
ON THE WEST SIDE OF
BROAD ROCK BOULEVARD
NORTH OF BRYCE LANE
IN THE CITY OF
RICHMOND, VIRGINIA



THIS PROPERTY IS IN H.U.D. DEFINED FLOOD
HAZARD AREA, ZONE: X, AS SHOWN ON FIRM
COMMUNITY PANEL #01012900702, DATED 04/02/2008.





BALZER & ASSOCIATES
PLANNERS / ARCHITECTS
ENGINEERS / SURVEYORS

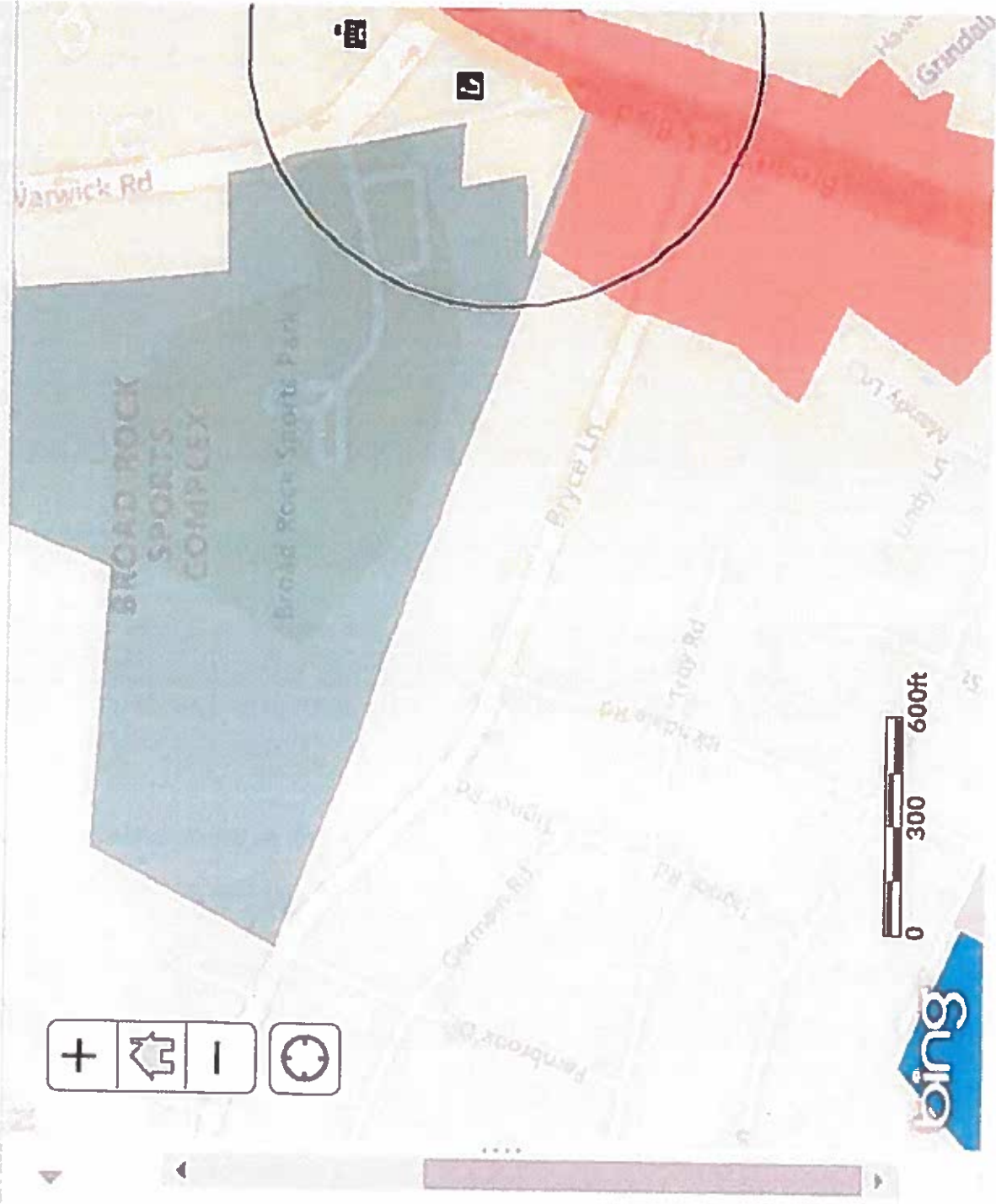
Rancho / Richmond
New River Valley
Shenandoah Valley
www.balzer.cc
15471 City View Drive
Suite 200
Madison, VA 22113
804.750.0271

BRYCE LANE MIXED USE

4820 BRYCE LANE CONCEPT PLAN

CITY COUNCIL DISTRICT 9
PROJECT ADDRESS

DATE 06/21/2022
SCALE 1" = 50'
REVISIONS





**BALZER
& ASSOCIATES, INC.**
1400 N. 10TH ST.
SUITE 100
DENVER, CO 80202

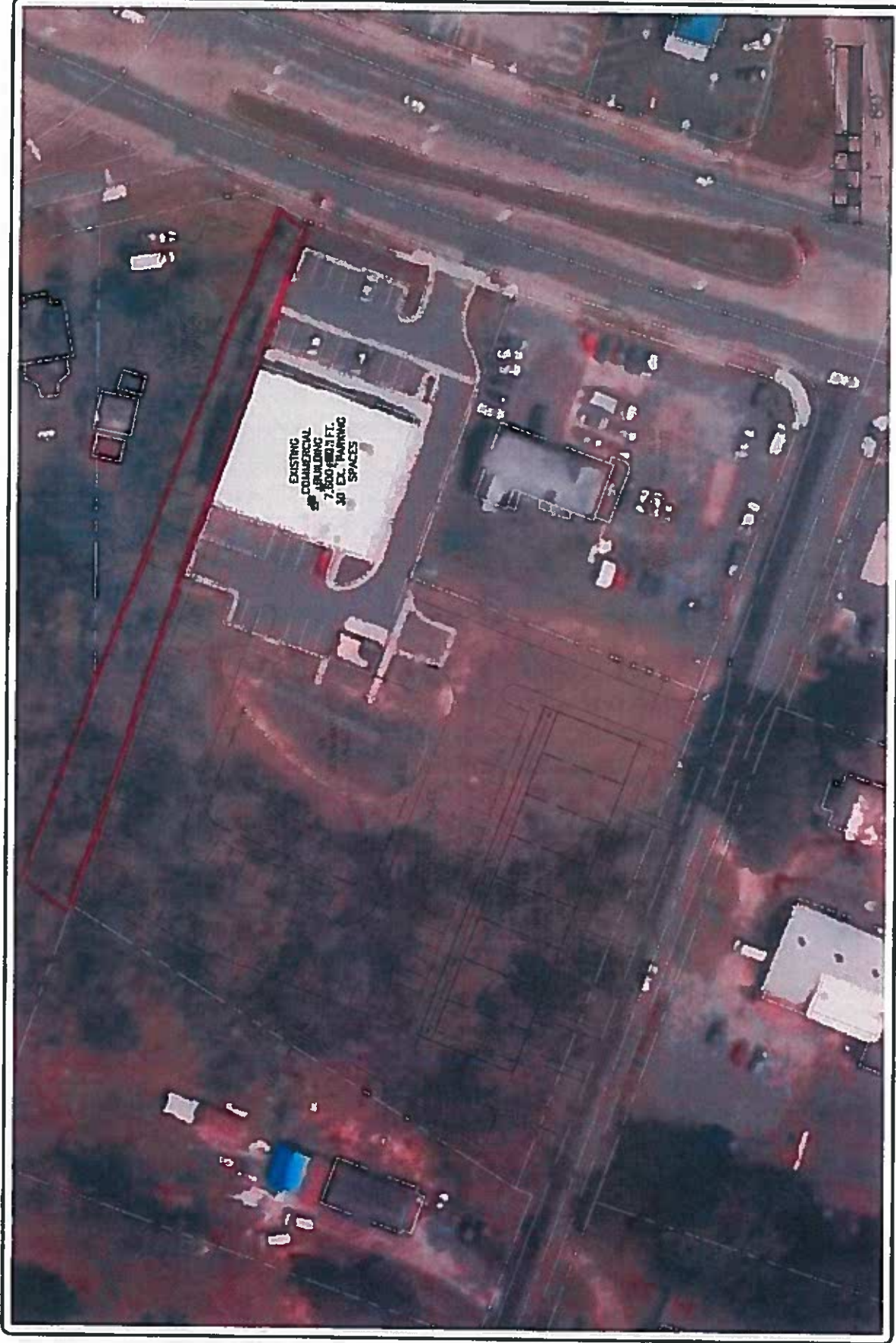
Represented By:
New River Valley
Economic Development
1400 N. 10TH ST.
SUITE 100
DENVER, CO 80202
303.733.0071

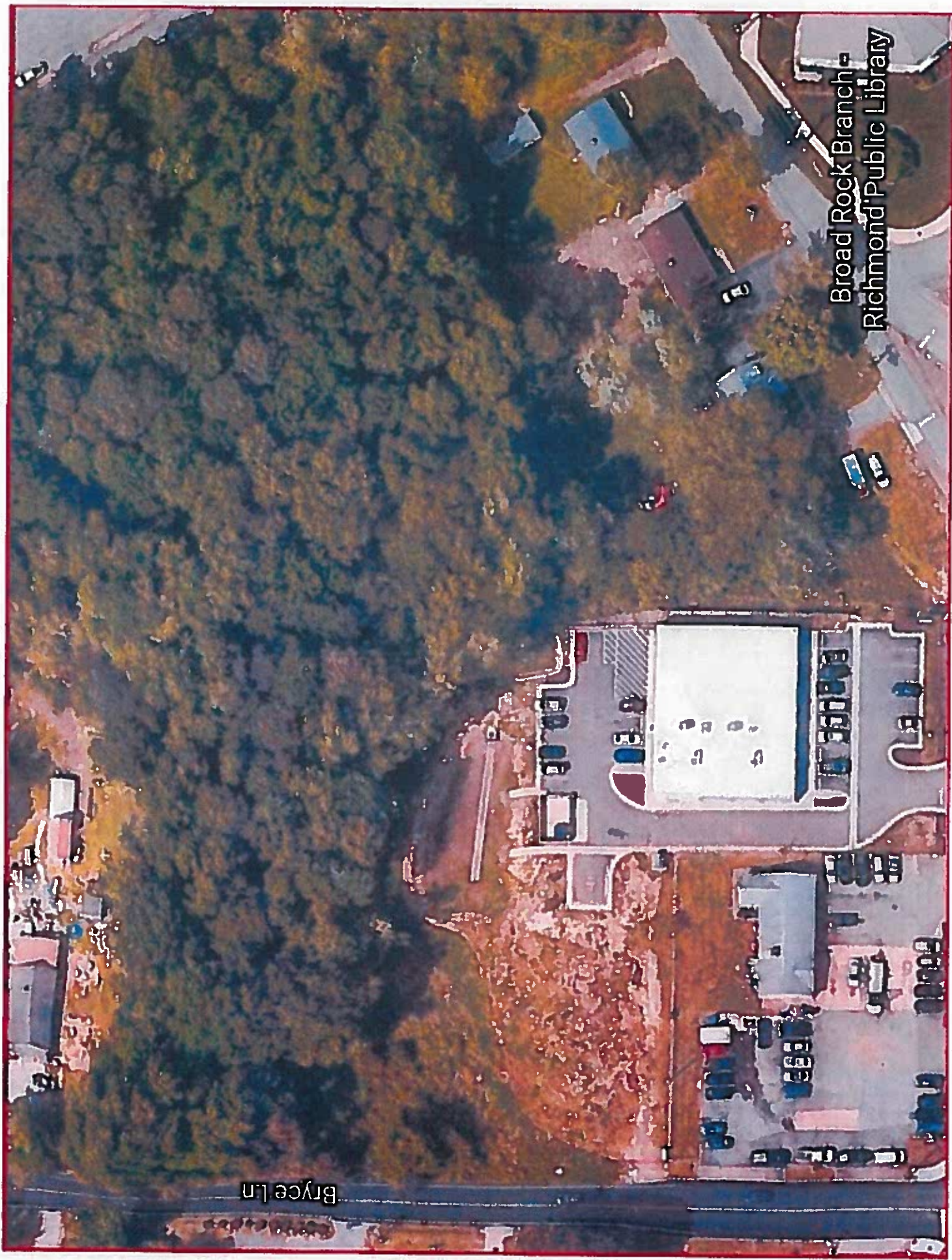
**BRYCE LANE MIXED USE
CONCEPT PLAN**

CITY COUNCIL DISTRICT 9
PROJECT ADDRESS

DATE: 04/12/2022
SCALE: 1" = 50'
REVISIONS

1 of 20
PROJECT NO. 220000000





Broad Rock Branch -
Richmond Public Library

Bryce Ln





6/22/2022

RE: Daniel Moreka

To: City of Richmond

Daniel Moreka is a longstanding customer of Citizens Bank and Trust. We have entered into several projects with Mr. Moreka and he has been successful in each endeavor. His multiple businesses provide employment and access to services for the citizens of Richmond.

I have reviewed his most recent financial statement and credit report. Mr. Moreka has the ability to finance his new project located at 2600 Broad Rock Boulevard.

Please contact me if you need further information.

A handwritten signature in black ink, appearing to read "William J. Collins II".

William J. Collins II

Vice President, Commercial Lending

Citizens Bank & Trust Co.



OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

DATE: June 28, 2022

TO: Mayor Levar M. Stoney
Members of Richmond City Council

FROM: J. E. Lincoln Saunders, Chief Administrative Officer *JELS*

CC: Sharon L. Ebert – DCAO, Economic & Community Development and Planning
Leonard L. Sledge – Director, Department of Economic Development
Matthew A. Welch – Senior Policy Advisor
Christopher Nizamis – Real Estate Manager
Yvette A. Preston – Real Estate Analyst
Neil R. Gibson – Senior Assistant City Attorney
Andrew A. Gore – Assistant City Attorney

RE: Receipt of an Unsolicited Offer to Purchase an Unimproved .1868 Acre Portion (406.92' length x 20' wide) of a larger City-Owned Parcel known in its entirety as Broad Rock Park with the Subject Parcel being Located Adjacent and North of 2606 Broad Rock Boulevard on the former Campbell Road site - (Richmond Tax Parcel # C0080224006)

Pursuant to City Code section 8-58(a), please find this memorandum as notification of an unsolicited offer for the purchase of certain city-owned real estate, as described herein, recently submitted to the City.

ENTIRE PROPERTY (Broad Rock Park)

Address: 4835 Old Warwick Road (9th Council District)

Parcel Number: C0080224006

Acreage: 22.32 acres

Assessed Value: \$2,328,000 Total Value (Assessment Year 2022)

\$1,885,000	= Assessed Land Value (Assessment Year 2022)
+ \$443,000	= Assessed Improvement Value (Assessment Year 2022)
<u>Total: \$2,328,000</u>	

Zoning: R-4

SUBJECT PARCEL

Address: N/A (TBD)

Parcel Number: N/A (TBD)



OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

Acreage (portion): .1868 acres

Assessed Value (Portion): \$15,776 Assessed Land Value (Assessment Year 2022)

$\$15,776 = \text{Assessed Land Value (Assessment Year 2022)}$
 $+ \$0 = \text{Assessed Improvement Value (Assessment Year 2022)}$
Total: \$15,776*
** Estimated value based on pro-rata share*

Current Use/Description: Not currently in use. The subject .1868 acres (406.92' x 20') parcel is an unused, unimproved, wooded parcel located north of 2606 Broad Rock Road Boulevard on Campbell Road (alley) which is part of 4835 Old Warwick Road (Broad Rock Park).

Zoning: B-2 (proposed)

Additional Info:

- **Surplus City-owned Real Estate** - The subject parcel is assigned to Parks and Recreations and is not listed on the "2020 Biennial Real Estate Strategies Plan".
- The subject parcel/alley adjoins to Broad Rock Park which is classified as 105 – R Park/Playground/Cmn Area. Although as noted in Sec 8-57 ... "no City-owned real estate that has been designated as a City park shall be declared surplus property of the City under any circumstances.", the subject parcel/alley is currently not in use. Parks and Recreation has deemed the subject portion as "surplus" and supports its sale. It is no longer needed for municipal use as part of the operations of the adjoining Broad Rock Park (Richmond Tax Parcel # C0080224006).
- The Legal Department/City of Richmond will need to complete a Boundary Line Adjustment as part of the property transfer indicating the new parcel dimensions and configurations for the respective properties in question. Note: this process has been successfully performed in the past with other small portions of City Park properties that were no longer used or deemed viable to retain.

UNSOLICITED OFFER

Offeror: Daniel Moreka
(contact – Leigh Burleson, Realtor with Coach House Realty)

Purchase Price: \$8,579.00



OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

Proposed Use:

Offeror is a local real estate developer and property owner who proposes to partition and transform the .1868 acres of the unimproved and unused alley located between 2600 Broad Rock Boulevard (C0080224028) owned by TANA Properties LLC and 2606 Broad Rock Boulevard (C0080301002) owned by DAMOK LLC, into parking to have a contiguous lot which will maximize their usage in the existing B-2 zoning for mix-use development.

Additional Info:

- The Offeror developed the Family Dollar, the BP Station and Buzz Thru Laundromat on Broad Rock Boulevard, and the Buzz Thru Car Washes on Hull Street and Midlothian Turnpike. The properties are owned in various LLC names including DAMOK LLC, EDAK LLC, IDAS LLC, AMOK LLC, EDAK LLC, IDAS LLC, TANA Properties, Buzz Thru Car Wash LLC and others.
- The new parking area would allow the existing parking behind the Buzz Thru Laundromat located at 2606A Broad Rock Boulevard (C0080301002) to be used for the mix-use building to be developed (tentatively planned as a 10,000 square foot, 2 story building with commercial space below and apartments above) in alignment with the Community Mixed Use as described in the Richmond 300 Comprehensive Plan.
- Anticipated Capital Investment – Offeror projects a total capital investment of \$1.2 million
- Tax Revenue – Offer projects \$1M+ in annual City tax revenue.

City staff from Real Estate Services will review the offer in greater detail and follow up with additional information as appropriate.

Please note that City Code section 8-58(c) states: "No ordinance to direct the sale of real estate to an offeror who has submitted an unsolicited offer may be introduced until the Council has adopted a resolution declaring such real estate to be surplus as described in Section 8-60" and "[t]he Council shall not act upon an unsolicited offer in accordance with Section 8-65 and other applicable provisions of this article until the Chief Administrative

Officer first has proceeded in accordance with either Section 8-61 [Solicitation of offers by invitation for bids] or Sections 8-62 [Solicitation of offers by request for proposals – generally] and 8-63 [Solicitation of offers by request for proposals – Evaluation of proposals]."



OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

The Subject Property has not been deemed surplus and no solicitation process has yet been initiated in accordance with City Code section 8-61 or 8-62 and 8-63.

Real Estate Services has followed up with the Offeror to acknowledge receipt of offer and explain that City Code requires a competitive solicitation process be conducted before the property can be sold.

Attachments:

- Offer Letter from Daniel Moreka
- Survey Map of 2600 Broad Rock Boulevard
- Survey Map of 2606 Broad Rock Boulevard
- Bryce Lane Mixed Use Concept Plan
- Community Mixed Use Micronode
- Richmond 300 Future Land Use Map
- Aerial Image
- Map of Parcel
- Citizens Bank and Trust Preapproval Letter