

INTRODUCED: April 25, 2022

AN ORDINANCE No. 2022-130

To amend City Code §§ 8-59, concerning deposits for the sale of City-owned property, 8-61, concerning solicitation of offers by invitation for bids, 8-62, concerning the solicitation of offers by request for proposals, generally, and 8-67, concerning payment, for the purpose of clarifying the timing and form of deposits required and to authorize a submission fee for proposals submitted in response to certain solicitations for the sale of City-owned property.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAY 23 2022 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That sections 8-59, 8-61, 8-62, and 8-67 of the Code of the City of Richmond (2020) be and are hereby **amended** as follows:

Sec. 8-59. Deposit.

No ordinance directing the sale of City-owned real estate to a purchaser [~~pursuant to any offer, bid or proposal~~] under this article shall be adopted unless and until the purchaser has [~~furnished the Chief Administrative Officer with~~] provided a deposit [~~in the form of a certified or cashier's check~~] in an amount equal to ten percent of the proposed purchase price [~~or \$100.00,~~

AYES: 8 NOES: 0 ABSTAIN: _____

ADOPTED: MAY 23 2022 REJECTED: _____ STRICKEN: _____

~~whichever is greater, at the time such offer, bid or proposal is made] either by (i) furnishing the Chief Administrative Officer with such deposit in the form of a certified or cashier's check or (ii) placing the deposit in escrow pursuant to a legally enforceable escrow agreement approved as to form by the Office of the City Attorney. [The proceeds of the certified or cashier's check] If the Council adopts an ordinance directing the sale of the City-owned real estate to the purchaser, the deposit shall be applied to the purchase price upon closing of the sale of [the] such City-owned real estate [if the Council accepts the offer, bid or proposal]. The City may retain the proceeds of the [check] deposit if the [offer, bid or proposal is withdrawn] purchaser withdraws its offer to purchase the real estate before [the evaluation of bids or proposals or] the final action of the Council on the ordinance to direct the sale of the real estate to the purchaser. However, the City shall not forfeit or waive any other remedies or rights the City may have otherwise by retaining the proceeds of the [check] deposit. [At the time the Council either accepts an offer, bid or proposal or rejects all offers, bids or proposals, the check submitted by each unsuccessful offeror, bidder or proposer shall be returned to that offeror, bidder or proposer.]~~

Sec. 8-61. Solicitation of offers by invitation for bids.

(a) *Invitation for bids.* If the Council, or the Chief Administrative Officer when authorized by resolution of the Council or upon receipt of an unsolicited offer to purchase City-owned real estate, determines that it is in the best interests of the City to sell surplus real estate with regard to price only, the Chief Administrative Officer shall invite bids for such real estate. All invitations for bids shall:

- (1) Be expressly conditioned on Council approval of the sale of the real estate to the successful bidder in accordance with Section 8-65;

(2) Provide that bids will be evaluated solely on the basis of the price stated in the bid;

(3) Require that each bid be received by the Chief Administrative Officer no later than a specifically stated date and hour;

(4) ~~[Require that each bid be accompanied by a deposit in accordance with]~~
Clearly state the requirements of Section 8-59; and

(5) Clearly state the requirements of Section 8-67.

(b) *Solicitation.* All invitations for bids shall be initiated by:

(1) Publication on the City's website; and

(2) Such other means as to provide reasonable notice of the invitation for bids to the maximum number of persons that can be reasonably anticipated to submit bids in response to the particular invitation for bids.

(c) *Acceptance or rejection of bids.* Once the date and hour for the receipt of bids has passed and the bids have been evaluated, the Mayor may introduce an ordinance directing the sale of the real estate to the bidder whose bid complies with the conditions of this section and offers the highest price for the City-owned real estate. No other criteria shall be considered in evaluating bids solicited under this section. In the alternative, the Mayor may introduce a resolution rejecting all of the bids received.

Sec. 8-62. Solicitation of offers by request for proposals—Generally.

(a) *Request for proposals.* If the Council, or the Chief Administrative Officer when authorized by resolution of the Council or upon receipt of an unsolicited offer to purchase City-owned real estate, determines that it is in the best interests of the City to sell surplus real estate

with regard to factors other than price, but which may include price, the Chief Administrative Officer shall request proposals for the real estate. All requests for proposals shall:

(1) Be expressly conditioned on Council approval of the sale of the real estate to the successful proposer in accordance with Section 8-65;

(2) Set forth in detail the specific evaluation factors upon which the proposals received pursuant to that request will be evaluated;

(3) Require that each proposal be received by the Chief Administrative Officer no later than a specifically stated date and hour;

(4) ~~[Require that each proposal be accompanied by a deposit in accordance with]~~ Clearly state the requirements of Section 8-59;

(5) Clearly state the requirements of Section 8-67; and

(6) Be submitted in draft form prior to solicitation to the Land Use, Housing and Transportation Standing Committee of the Council or any successor committee thereof and incorporate any additional evaluation factors that such committee may deem appropriate.

(b) *Solicitation.* All requests for proposals shall be solicited by:

(1) Publication on the City's website; and

(2) Such other means as to provide reasonable notice of the request for proposals to the maximum number of persons that can be reasonably anticipated to submit proposals in response to the particular request for proposals.

(c) *Submission Fee.* The Chief Administrative Officer may require that all proposals submitted in response to any request for proposals include a non-refundable submission fee in such amount determined by the Chief Administrative Officer not to exceed one percent of the assessed

value of the real estate that is the subject of the request for proposals. Any such submission fee requirement shall be stated clearly in the request for proposals.

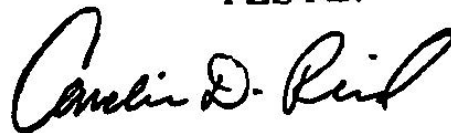
Sec. 8-67. Payment.

After the Council has directed the sale of City-owned real estate, the purchaser shall pay the balance of the purchase price to the City within 15 days after the City gives the purchaser notice that the deed is ready for delivery. If the purchaser has not paid the balance of the purchase price within 15 days after notice that the deed is ready for delivery, the sale of the City-owned real estate shall be void, and the City shall retain the proceeds of the deposit submitted [~~with the offer, bid or proposal of the purchaser~~] pursuant to Section 8-59. The provisions of this section shall apply unless the ordinance directing the sale of the City-owned real estate expressly provides otherwise.

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

A TRUE COPY:

TESTE:

A handwritten signature in black ink, appearing to read "Amelia D. Reil". The signature is written in a cursive, flowing style.

City Clerk

O&R Request
April 6, 2022
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CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O&R REQUEST

DATE: April 6, 2022

EDITION: 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

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

FROM: Leonard L. Sledge, Director – Department of Economic Development

RE: Amendments to Ch. 8 (“City-owned Real Estate”) Art. III (“Sale of Real Estate”) of the City Code to Clarify the Timing and Form of Deposit Required and to Permit the CAO to Require a Submission Fee for Proposals Submitted in Response to Certain Solicitations

ORD. OR RES. No. _____

PURPOSE: To amend the following sections of City Code Ch. 8 (“City-owned Real Estate”) Art. III (“Sale of Real Estate”) of the City Code for the purpose of clarifying the timing and form of deposit required and to permit the CAO to require a submission fee for proposals submitted in response to certain solicitations: §§ 8-59, 8-61, 8-62, and 8-67. Draft amendments are attached to this O&R Request.

REASON: An ordinance is necessary to Amend City Code.

RECOMMENDATION: The City Administration recommends approval.

BACKGROUND: The proposed amendments to the current provisions set forth in City Code Ch. 8 (“City-owned Real Estate) Art. III (“Sale of Real Estate”) are intended to: (1) remove any unintended ambiguity as to the timing of the deposit submission requirement set forth in Sec. 8-59, (2) expand the form such a deposit may take beyond the very limited form of deposit required by the current provisions (Sec. 8-59 currently limits the form of deposits to only “certified or cashier’s check” while the amendments would also permit deposits to be placed in escrow pursuant to a legally enforceable escrow agreement) and (3) to provide the CAO with the authority (but not obligation) to require a submission fee for proposals submitted in response to certain solicitations issued pursuant to Sec. 8-62.

FISCAL IMPACT / COST: N/A

FISCAL IMPLICATIONS: N/A

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: N/A

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: April 25, 2022

CITY COUNCIL PUBLIC HEARING DATE: May 23, 2022

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Economic Development, City Attorney's Office

RELATIONSHIP TO EXISTING ORD. OR RES.: Amendment to City Code §§ 8-59, 8-61, 8-62, and 8-67.

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: Document entitled "DRAFT AMENDMENTS TO Ch. 8 ("City-owned Real Estate") Art. III ("Sale of Real Estate") Attachment to O&R Request Dated April 6, 2022"

STAFF: Matthew A. Welch, DED