INTRODUCED: April 27, 2020

#### A RESOLUTION No. 2020-R034

## As Amended

To declare surplus and to authorize the Chief Administrative Officer to seek proposals for the [properties] property located at [112 North 7<sup>th</sup> Street, 114 North 7<sup>th</sup> Street, 116 North 7<sup>th</sup> Street,] 500 North 10<sup>th</sup> Street[, 401 East Broad Street, 730 East Broad Street, 800 East Clay Street, 808 East Clay Street, 609 East Grace Street, and 601 East Leigh Street] for the purpose of facilitating the purchase and development of such [parcels] parcel.

Patron – Mayor Stoney

Approved as to form and legality by the City Attorney

PUBLIC HEARING: MAY 26 2020 AT 6 P.M.

WHEREAS, the [properties] property located at [112 North 7<sup>th</sup> Street, 114 North 7<sup>th</sup> Street, 116 North 7<sup>th</sup> Street,] 500 North 10<sup>th</sup> Street, [-401 East Broad Street, 730 East Broad Street, 800 East Clay Street, 808 East Clay Street, 609 East Grace Street, and 601 East Leigh Street,] with Tax Parcel [Nos. W000 0008/010, W000 0008/009, W000 0008/008,] No. E000-0235/001[, W000 0025/001, N000 0002/016, N000 0009/002, N000 0009/001, W000 0008/001, N000 0007/001, respectively,] in the 2020 records of the City Assessor, [are properties] is a property owned by the City of Richmond that the City has determined [are] is no longer necessary for public use;

AYES:	8	NOES:	0	ABSTAIN:		
ADOPTED:	JUN 22 2020	REJECTED:		STRICKEN:		
•				-		

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That, pursuant to section 8-60 of the Code of the City of Richmond (2015), as amended,

the [properties] property located at [112 North 7<sup>th</sup> Street, 114 North 7<sup>th</sup> Street, 116 North 7<sup>th</sup>

Street, 300 North 10th Street, 401 East Broad Street, 730 East Broad Street, 800 East Clay

Street, 808 East Clay Street, 609 East Grace Street, and 601 East Leigh Street,] with Tax Parcel

[Nos. W000 0008/010, W000 0008/009, W000 0008/008,] No. E000-0235/001[, W000

0025/001, N000-0002/016, N000-0009/002, N000-0009/001, W000-0008/001, N000-0007/001,

respectively,] in the 2020 records of the City Assessor, [are] is hereby declared surplus real

estate, and the Chief Administrative Officer is hereby authorized to seek proposals for such

[properties] property pursuant to section 8-62 of the Code of the City of Richmond (2015), as

amended, and other applicable provisions of Chapter 8, Article III of the Code of the City of

Richmond (2015), as amended.

BE IT FURTHER RESOLVED:

That this resolution shall be in force and effect upon adoption.

A TRUE COPY:

TESTE.

City Clerk

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# CITY OF RICHMOND

# INTRACITY CORRESPONDENCE

### **O&R REQUEST**

DATE:

March 26, 2020

**EDITION:** 

TO:

The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor (

THROUGH: Lenora G. Reid, Acting Chief Administrative Officer Land 4/3/2020

THROUGH: Sharon L. Ebert, Deputy Chief Administrative Officer for Economic

Development and Planning

THROUGH: Leonard L. Sledge, Director of Economic Development

FROM:

Matthew A. Welch, Senior Policy Advisor, Economic Development & Planning

RE: TO DECLARE SURPLUS CERTAIN CITY-OWNED REAL ESTATE LOCATED IN DOWNTOWN, RICHMOND AND TO AUTHORIZE THE CHIEF ADMINISTRA-TIVE OFFICER TO REQUEST PROPOSALS FOR THE PURCHASE AND DEVEL-**OPMENT OF SUCH REAL ESTATE** 

ORD.	OR RES. No.					

PURPOSE: In accordance with Chapter 8, Article III of the Code of the City of Richmond (2015) ("City Code"), a resolution to (i) declare surplus the parcels of City-owned real estate listed on the attached document entitled "Attachment to O & R Request, Surplus Designation List - Downtown Parcels - March 2020" (the "Pending Surplus Parcels") and (ii) to authorize the Chief Administrative Officer ("CAO") to request proposals for the purchase and development of the Pending Surplus Parcels.

REASON: To provide the necessary authority for the CAO to seek proposals for the purchase and development of the Pending Surplus Parcels in accordance with City Code, Chapter 8, Article III.

RECOMMENDATION: The City Administration recommends adoption of the ordinance.

**BACKGROUND:** 

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The Pending Surplus Parcels are located within the center of Richmond's downtown. The mostly underutilized parcels are currently non-taxable as are a significant number of other parcels in the surrounding area. The parcels include the real estate comprising the Coliseum, the Public Safety Building, the surface parking lot across from the Public Safety Building, the surface parking lot at 4th/5th and Broad, and the surface parking lot/parking garage at 6th/7th and Grace + 6th and Grace/Franklin. In addition, the 730 East Broad Street Building is also included in this Pending Surplus Parcels list, due its potential market value.

In order to best serve the City, the Pending Surplus Parcels should be strategically leveraged to spur taxable development in order to not only produce significant tax revenues for the City but to also facilitate other City goals and objectives — which might include, for example; affordable housing, Class A Office Space needed to attract/retain companies, new jobs + training opportunities for Richmonders, street grid and complete streets improvements, hotel keys to enhance tour-ism/GRCCA, and opportunities for open space, activities, and entertainment. Accordingly, it is in the best interest of the City that the sale of any such parcels take into account factors other than merely purchase price and, therefore, the most appropriate method of solicitation is a Request for Proposals ("RFP") pursuant to City Code Section 8-61(a).

By adopting the resolution, City Council would authorize the CAO to issue a RFP for each of the Pending Surplus Parcels (which could be done as one RFP for all the Pending Surplus Parcels or multiple RFPs each limited to one or a sub-group of the Pending Surplus Parcels). However, pursuant to City Code Section 8-61(a)(6), no such RFP will be issued until it is first submitted in draft form to City Council's Land Use. Housing and Transportation Standing Committee ("LUHTC") and any additional evaluation factors that LUHTC deems appropriate have been incorporated therein. Additionally, consistent with the request from City Council set forth in Resolution No. 2020-R009 adopted on February 10, 2020, the City Administration is in the process of (1) engaging the community and crafting a small area plan (encompassing the area on which many of the Pending Surplus Parcels are located) and (2) securing appraisals for all of the Pending Surplus Parcels. Insight received from the community and the ultimate recommendations set forth in the small area plan will be utilized in drafting any RFP.

The Pending Surplus Parcels requested to be designated surplus via this resolution provide particular opportunity as potential leverage to achieve city objectives and adoption of the resolution at this time will allow the process to move forward without undue delay. Note, however, the Pending Surplus Parcels are not the only city-owned parcels of real estate that could be sold to achieve various city objectives. Therefore, while the Administration recommends moving forward with adoption of the resolution at this time in order to avoid undue delay related to these particular parcels, it is also in the process of conducting a more comprehensive analysis of city-owned parcels and intends to submit a Real Estate Strategies Plan to City Council by October 1, 2020 (pursuant to City Code Section 8-56(e)), which will include a wider-ranging list of parcels that are no longer needed for municipal or public purposes and the Administration's respective recommendations for the sale and disposition of such parcels (e.g., some might be best for direct revenue generation by sale via IFB or at auction, some might be best to spur taxable development, and some might be best to utilize for affordable housing (potentially including single family homes) in coordination with the non-profit community).

FISCAL IMPACT / COST: The resolution itself has no direct impact/cost. However, any future issuance of a RFP or RFPs would likely come with administrative costs and any future sale(s) would potentially come with (1) revenues from the purchase price and subsequently resolution taxes, (2) costs related relocation, and (3) cost savings (e.g., ability to cease expenditures related to upkeep).

FISCAL IMPLICATIONS: No direct implications. See Fiscal Impact / Cost section

**BUDGET AMENDMENT NECESSARY: No** 

REVENUE TO CITY: No direct Implications. See Fiscal Impact / Cost section

**DESIRED EFFECTIVE DATE: Upon adoption** 

REQUESTED INTRODUCTION DATE: April 27, 2020

CITY COUNCIL PUBLIC HEARING DATE: May 26, 2020

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Land Use, Housing & Transportation

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Department of Economic Development, Department of Public Works, Department of Public Utilities, Department of Social Services, Department of Justice Services, Richmond Retirement System, RVA 311

RELATIONSHIP TO EXISTING ORD. OR RES.: None

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: Attachment to O & R Request, Surplus Designation List – Downtown Parcels – March 2020

STAFF: Paul McClelian (DED) and Matt Welch (DED)

#### Attachment to O & R Request

## Surplus Designation List - Downtown Parcels - March 2020

- Address: 601 E Leigh St Parcel ID: N0000007001 https://apps.richmondgov.com/applications/propertysearch/Detail.aspx?pin=N0000007001
- Address: 808 E Clay St Parcel ID: N0000009001 https://apps.richmondgov.com/applications/propertysearch/Detail.aspx?pin=N0000009001
- 3. Address: 800 E Clay St Parcel ID: N0000009002 https://apps.rlchmondgov.com/applications/propertysearch/Detail.aspx?pin=N0000009002
- 4. Address: 500 N 10th St Parcel ID: E0000235001 https://apps.richmondgov.com/applications/propertysearch/Detail.aspx?pin=E0000235001
- Address: 401 E Broad St Parcel ID: W0000025001 https://apps.richmondgov.com/applications/propertysearch/Detail.aspx?pin=W0000025001
- 6. Address 609 E Grace St Parcel ID: W0000008001 https://apps.richmondgov.com/applications/propertysearch/Detail.aspx?pin=W0000008001
- Address: 116 N 7th St Parcel ID: W0000008008
   https://apps.richmondgov.com/applications/propertysearch/Detail.aspx?pin=W0000008008
- Address: 114 N 7th St Parcel ID: W0000008009
   https://apps.richmondgov.com/applications/propertysearch/Detail.aspx?pin=W0000008009
- 9. Address: 112 N 7th St Parcel ID: W0000008010 https://apps.richmondgov.com/applications/propertysearch/Detail.aspx?pin=W0000008010
- 10. Address: 730 E Broad St Parcel ID: N0000002016 https://apps.richmondgov.com/applications/propertysearch/Detail.aspx?pin=N0000002016