How To Purchase City-Owned Real Estate

City-owned Real Estate can be purchased through one of the three following ways:

*Note: Each of the following steps assumes that the City Council has already designated the subject property as surplus.*

I. Solicitation of Offers by Invitation for Bids

**Step 1.** City Manager will invite competitive sealed bids for surplus real estate.

All Invitations for Bids will:

a) Be advertised on the city’s website and by such other means as to provide reasonable notice to the maximum number of persons reasonably anticipated to submit bids in response to the particular Invitation to Bid.

b) Be expressly conditioned on Council approval of the sale of the real estate to the successful bidder in accordance with *City Code Section 9.06*;

c) Provide that bids will be evaluated solely on the basis of the price and relevant terms not related to price as stated the bid;

d) Require that each bid be received by the Department of General Services no later than a specified date and time later than a specifically stated date and hour; and

e) Require that a deposit in the form of certified funds or a cashier's check in an amount equal to five (5) percent of the proposed purchase price or $100.00, whichever is greater, must be submitted at the time that the bid is due.

**Step 2.** Once the date and hour for the receipt of bids has passed and the bids have been evaluated, the sale of the real estate will be recommended to Council, if the bid met the minimum pricing requirements, the bidder has complied with the conditions of the bid, and offers the highest price for the City-owned real estate. No other criteria will be considered in evaluating bids.
II. Solicitation of Offers by Request for Proposals

Step 1. Decision - The City Manager determines that it is in the best interest of the City to sell surplus real estate with regard to factors other than price, but which may include price, through a Request for Proposals (RFP) for the real estate.

All RFPs will:

a) Be expressly conditioned on Council approval of the sale of the real estate to the successful proposer in accordance with Section 9.06;

b) Set forth in detail the factors upon which the proposals received pursuant to that request will be evaluated;

c) Require that each proposal be received by the Department of General Services no later than a specifically stated date and hour;

d) Require, if deemed necessary by the City, additional information such as proposed future redevelopment plan schematics, drawings or other relevant information;

e) Require that a deposit in the form of certified funds or a cashier's check in an amount equal to five (5) percent of the proposed purchase price or $100.00, whichever is greater, must be submitted at the time that the proposal is due; and

f) Clearly state the requirements of the Real Estate Disposition Policy and Section 9.06 of the City Code.

Step 2. Solicitation - Requests for Proposals will be solicited by publication on the City's web site; and by such other means as to provide reasonable notice to the maximum number of persons reasonably anticipated to submit proposals for a minimum period of sixty (60) calendar days.

Step 3. Evaluation - Each Request for Proposal will be evaluated based on any or all of the following factors listed below as enumerated in the Request for Proposals:

a) The proposed use of the real estate;

b) The financial ability of the proposer to develop, the real estate based on the proposed use;

c) The experience of the proposer in the development and use of properties for uses similar to the proposed use;

d) The effect of the proposed use on other properties;

e) The compatibility of the proposed use with the City's Master Plan;

f) The price the proposer offers to pay for the real estate;
g) The anticipated tax revenue based on the proposed use; and
h) Such other evaluation factors the City may deem appropriate to the proposal.

**Step 4. Acceptance or Rejection** - Once the date and hour for the receipt of proposals has passed and the proposals have been evaluated (30-45 days), the entity or person whose proposal is determined to be in the best interest of the City will be selected and a real estate sales contract will be negotiated. The proposed sale will be contingent upon final approval in accordance with Section 9.06 of City Code, as well as any other contingencies that the City may deem appropriate, such as approval by the City's Planning Commission and City Council of a Development Special Use Permit.

**III. Acceptance of Unsolicited Proposals**

**Step 1. Unsolicited offers**, to purchase or lease City real estate may be accepted or rejected by the City Manager in his or her discretion based upon what is in the best interest of the City. Council shall be notified of any unsolicited offer and its disposition by the City Manager. Before disposition, the property must be declared surplus.

All Unsolicited Offers will:

a) Be expressly conditioned on Council approval of the sale of the real estate to the successful proposer in accordance with Section 9.06;

b) Set forth in detail the factors upon which the proposals received pursuant to that request will be evaluated;

c) Require, if deemed necessary by the City, additional information such as proposed future redevelopment plan schematics, drawings or other relevant information;

d) Require that a deposit in the form of certified funds or a cashier's check in an amount equal to five (5) percent of the proposed purchase price or $100.00, whichever is greater, must be submitted at the time that the proposal is due; and

e) Clearly state the requirements of the Real Estate Disposition Policy and Section 9.06 of the City Code.

**Step 2. Evaluation** - Each Request for Proposal will be evaluated based on any or all of the following factors listed below as enumerated in the Request for Proposals:

a) The proposed use of the real estate;
b) The financial ability of the proposer to develop, the real estate based on the proposed use;

c) The experience of the proposer in the development and use of properties for uses similar to the proposed use;

d) The effect of the proposed use on other properties;

e) The compatibility of the proposed use with the City's Master Plan;

f) The price the proposer offers to pay for the real estate;

g) The anticipated tax revenue based on the proposed use; and

h) Such other evaluation factors the City may deem appropriate to the proposal.

If the subject real estate is deemed independently developable, the offeror has complied with this policy, and the offer is deemed potentially to be in the best interest of the City, the City Manager shall notify Council of the unsolicited offer. Provided authorization is granted by Council to entertain the offer, the City Manager will:

1. Publically solicit additional offers following the Solicitation of Offers by Request for Proposal process outlined above for a minimum of 60 days.

2. Evaluate the offers received within the 60-day notice period, along with the unsolicited offer, using the process described in the Solicitation of Offers by Request for Proposals section above.

3. If no additional offers are received from adjacent landowners, the City Manager may enter into final negotiations to address critical factors of the offer, including price, and proposed use.

4. Once the issues have been resolved, the requisite Section 9.06 and any other necessary approved processes for final decision-making will be initiated.

i) If the subject real estate is a parcel that is not independently developable without the consolidation of adjacent land, only offers from adjacent landowners, or the contract purchasers of the adjacent land, will be accepted. The City Manager will provide Council with notice of the unsolicited offer. If the offer is recommended as in the best interest of the City and the subject land is undevelopable as is, the City Manager will:

1. Notify any landowner immediately adjacent to the subject City real estate, providing notice and soliciting additional offers for a minimum of 30 days.

2. Evaluate the offers received within the 30 day of notice period, along with the unsolicited offer, using the process described in the Solicitation of Offers by Request for Proposals section above.
3. If no additional offers are received from adjacent landowners, the City Manager may enter into final negotiations to address critical factors of the offer, including price, and proposed use.

4. Once the issues have been resolved, the requisite Section 9.06 and any other necessary approved processes for final decision-making will be initiated.

**Step 3. Acceptance or Rejection** - Once the date and hour for the receipt of proposals has passed and the proposals have been evaluated (30-45 days), the entity or person whose proposal is determined to be in the best interest of the City will be selected and a real estate sales contract will be negotiated. The proposed sale will be contingent upon final approval in accordance with Section 9.06 of *City Code*, as well as any other contingencies that the City may deem appropriate, such as approval by the City's Planning Commission and City Council of a Development Special Use Permit.

**Note:**

1. All solicited and unsolicited offers shall be considered proprietary and protected information until such time that a recommendation to sell the real estate to a specific buyer is docketed and acted upon by City Council.

2. In the case of a public entity or non-profit City-related entity, including but not limited to the Alexandria City Public Schools, the Alexandria Sanitation Authority, the Alexandria Redevelopment and Housing Authority, the Alexandria Housing Development Corporation, the City, at the direction of City Council, may decide to forgo a competitive sale process for the disposition of City property, and negotiate the sale of City property with those City-related entities.

3. The City may decide it is in its best interest to lease a surplus City property long term and not sell it, notwithstanding the use of the terms “purchase,” “sale” or “sold” may be substituted with the term "lease" or "leased" to effectuate the guidelines for a lease transaction.