



Proposal to Purchase City Owned Property Checklist

City of Petersburg Department of Economic Development

Department of Economic Development
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Thank you for your interest in purchasing City-owned Real Estate. We look forward to working with you in our process towards making your proposal reality.

The next step is to fill out the attached Assessment Form. Please return the Assessment Form with a Business Plan and/or supporting documentation. The Business Plan should include Executive Summary, Company Description, Market Analysis, Competitive Analysis, Organizational/Corporate Structure, Breakdown of Products and Services, Marketing Plan, Capital Budget, Operating Budget, Pro Forma Financial Projections and Project/Investment Funding, Letter from Financial Institution, and tentative Site Development Plans. If you are building a residential dwelling, please provide the following:

- Proof of experience- Do you have photos of previous rehabs?
- Intended use of the property- Will you be selling this property, renting or owner occupied? If so, how much do you plan to sell it or rent it for?
- Preliminary drawing of the home- please be sure that it conforms to adjacent residential property in the neighborhood and surrounding area.
- Proof of finances- Please provide proof of finances to purchase the lots and construct the home
- Construction cost and construction timeline

Once the Assessment Form and supporting documents have been supplied, we will work to develop a Purchase Agreement. The Purchase Agreement will outline terms relating to the Due Diligence period in which the Prospective Purchaser will have greater access to the property for assessment, terms relating to a Development Agreement, and appropriate Claw Back provisions if development terms are not met within the negotiated timeframe.

After approval of the Purchase Agreement by City Council via ordinance and execution by the City Manager, the City's closing attorney will contact the purchaser to collect the earnest deposit. If applicable, the 120 Due Diligence Period will begin. During this time, the Prospective Purchaser will draft and submit the finalized plans for the property (submit final floor plans, construction cost, construction time line, and financing) to ED staff, who will then draft the Development Agreement for the purchase signature. After all documents are finished, the Development Agreement will be submitted to City Council for approval via resolution. If approved, the Development Agreement will be executed by the City Manager and emailed to the Closing Attorney. The closing attorney will facilitate the closing process.

After all of this, closing will occur and documents referencing all previous agreements are recorded and final payment is made by the Purchaser. After closing, the Purchaser will now own the property. If development terms are not met in violation of the Purchase Agreement, claw back of the property(s) may occur.

Thank you,

The City of Petersburg Economic Development Team

Proposal to Purchase City-Owned Property



Purchaser			
Project Name	_____		
Property Address	_____		
Parcel Number	_____		
Year Constructed	_____	_____	_____
Project Developer	_____		
Contact Name	_____		
Address	_____		
Email	_____		
Experience/Qualifications	_____		
Development Description			
Offered Purchase Price	_____	Construction Costs \$	-
	_____	Total Investment	_____
Description of Financing (%)	_____		
Community Benefit	_____		
Due Diligence Period (months)	_____		
Construction Start Date	_____		Completion Date _____
Number of Projected Jobs	Temp/Const. Jobs	_____	Permanent Jobs _____
Average Wage	_____		_____
Contingencies	_____		

City Assessment			
Outstanding Obligations	_____		
Proposed Land Use	_____	Yes	No
Comp Plan Land Use	_____	Conformance YES	_____
Zoning	_____	Conformance YES	_____
Enterprise Zone	_____	_____	_____
Rehab/Abatement	_____	_____	_____
New Construction	_____	_____	_____
Historic District	_____	_____	_____
Assessed Value	_____	Appraised Value \$	- Date _____
City Revenue from Sale	\$ -	_____	
Projected Tax Revenue	Abatement	Year 1	Year 5 Year 20
Real Estate Tax	\$ - \$	- \$	- \$ -
Personal Property Tax	\$ - \$	- \$	- \$ -
Machinery and Tools Tax	\$ - \$	- \$	- \$ -
Sales and Use Tax	\$ - \$	- \$	- \$ -
Business License Fee	\$ - \$	- \$	- \$ -
Lodging Tax	\$ - \$	- \$	- \$ -
Meals Tax	\$ - \$	- \$	- \$ -
Other Taxes or Fees	\$ - \$	- \$	- \$ -
Total	\$ - \$	- \$	- \$ -
Total Tax Revenue	\$	- \$	- \$ -
Waivers & Other Costs to the City	\$	- \$	- \$ -
City ROI (Revenue - Cost)	\$ - \$	- \$	- \$ -
Staff Recommendation	_____		
Last Use Public	_____	Comm. Review Date	_____
Council Decision	_____	Council Review Date	_____
Disposition Ord #	_____	Ord Date	_____



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Initial proposals should begin at the assessed value with possible negotiated deductions at the discretion of the City Manager or their designee. All proposals should include a tentative business plan, site development plans, and supporting financial statement(s). If the supporting documents and purchase proposal do not meet the Assessment criteria detailed below, this may result in rejection of the proposal.

Attached Documentation:

ASSESSMENT FORM – completed Assessment Form detailing proposed purchase price, construction cost and total investment.

BUSINESS PLAN – Should include Executive Summary, Company Description, Market Analysis, Competitive Analysis, Organizational/Corporate Structure, Breakdown of Products and Services, Marketing Plan, Capital Budget, Operating Budget, Pro Forma Financial Projections and Project/Investment Funding, Letter from Financial Institution, and tentative Site Development Plans.

SITE DEVELOPMENT PLAN – to include timeline for construction, and projected cost of renovations and development.

FINANCIAL STATEMENT – statement from financial institution that demonstrates the buyer has the resources to purchase the property, and to cover the cost of renovating and developing the property.

Overview of Disposition Process – flow chart attached below

- Identify available City-owned Real Estate Property
- Submit Assessment Form along with supporting documentation to DED staff.
- Review and approval by DED staff.
- Review and approval by City Council (State Code requires two readings which include the first reading as a Consent Agenda item and the second reading as a Public Hearing).
- Execution of Purchase Agreement to include 10% deposit at signing and the remaining balance at closing. The buyer may choose to hire their own attorney or allow the City's contracted attorneys to handle the closing on the property.
- Execution of the Development Agreement which requires approval by City Council (two readings)
- City monitoring of the development process to ensure buyer adheres to guidelines outlined in the Development Agreement. The City reserve the right to re-acquire the property if parameters are not met.



DISPOSITION OF CITY OWNED PROPERTY

