

THE CITY OF WARWICK  
STATE OF RHODE ISLAND

CHAPTER 2  
ADMINISTRATION

ARTICLE I  
IN GENERAL

No..... Date.....

Approved.....Mayor

AN ORDINANCE IN REGARDS TO AMENDING SECTION 2-19 OF THE WARWICK  
CODE OF ORDINANCES RELATIVE TO THE SALE OF CITY OWNED PROPERTY

Be it ordained by the City of Warwick:

Section I: Chapter 2, Article I of the City of Warwick Code of Ordinances is hereby amended as follows:

Sec. 2-19. – Sale of city owned Property.

(a) The city council may adopt a resolution approving or denying the sale of the subject parcel at any time after all offers have been considered pursuant to this section. No sale of any parcel of real property held by the city in fee simple shall take place until an appraisal has been obtained from an independent appraiser who has been retained pursuant to section 2-10. The cost of said appraisal shall be borne by the purchaser of the property.

(b) Notice shall be provided and input shall be obtained from the Directors of City Planning, Public Works, Finance and the Clerk of the Zoning Board prior to the commencement of selling a property in accordance with this section. A copy of the notice shall also be sent to the councilperson in whose ward the parcel of land lies. Notice may also be placed in newspapers of local and or regional significance should City Staff determine such is necessary to maximize bid price. Abutting property owners, whose lots are contiguous to the subject parcel shall receive first class notification of the bid effort with information sufficient to submit a sealed bid.

(c) An offer to purchase any parcel of real property which is held by the city in fee simple shall be made in the form of a sealed bid ~~written purchase and sale agreement~~ which shall be submitted

46 to the city treasurer in a sealed envelope clearly marked with the words "City Land Purchase"  
47 "~~offer to purchase land held by the City of Warwick~~", or words of a similar nature, and the  
48 assessor's plat and lot number of the subject parcel. The envelope shall be kept sealed until opened  
49 by the City Council Public Properties Committee. Should multiple highest bid offers be of identical  
50 value, staff shall obtain a second round of sealed bids from the said highest offerors for the next  
51 available meeting of the Committee. A purchase and sale agreement shall be established with the  
52 highest bidder. A minimum deposit of twenty percent (20%) of the assessed value, according to  
53 the tax assessor records, shall be tendered to the City along with execution of the purchase and  
54 sales agreement. pursuant to subsection (e).  
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56 (d) The city may require a bid deposit, not to exceed 5% of a property's assessed value, to  
57 accompany bid submissions under this section. All bid deposits, except that of the successful  
58 bidder, shall be refunded or returned within a reasonable time after the identification of the  
59 successful bidder. The successful bidder's bid deposit shall be applied to the purchase price at  
60 closing, or forfeited to the City as liquidated damages for nonperformance should a successful  
61 bidder fail to timely execute a purchase and sales agreement or to close the sale, as determined by  
62 the city solicitor, and provided that notice of forfeiture is provided at least 15 days in advance and  
63 the successful bidder has an opportunity to cure the nonperformance within such timeline.  
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66 (e) The purchase and sale agreement shall contain the following provisions, and other terms  
67 and conditions as shall be approved by the city solicitor:  
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69 (1) Prior to closing, the City shall obtain an appraisal at the expense of the purchaser, and the  
70 purchaser shall also submit a title report to the City.  
71

72 (2) The purchaser shall pay, on or before the date of closing, any outstanding taxes, interest,  
73 assessments or other liens, costs of clearing the title to the subject parcel, and any and all closing  
74 costs including the appraisal fee, attorney fees, recording fees and tax stamps which shall accrue  
75 as a result of the sale.  
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77 ~~(2) A minimum deposit of 20 percent of the assessed value of the property, according to the~~  
78 ~~records of the tax assessor, shall be submitted to the treasurer at the time of submission of the~~  
79 ~~sealed purchase and sale agreement, but shall not be sealed in the envelope containing said~~  
80 ~~purchase and sale agreement. The check, draft, money order or other means of tender of the deposit~~  
81 ~~shall not contain any indication of the offered purchase price.~~  
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83 (3) In the event that the subject parcel is adjacent to a parcel owned by the prospective  
84 purchaser, then the lot shall be merged administratively into the purchaser's existing lot and if the  
85 subject parcel is zoned residential, the deed shall contain a restriction that no building or structure  
86 shall be allowed on the subject parcel except that which is permitted as a residential accessory use  
87 by the city zoning ordinance without variance or other relief from said ordinance, including but  
88 not limited to, a shed, a pool, a driveway, an addition to an existing house, or a fence.  
89 Administrative Subdivision shall be provided by the purchaser prior to closing.  
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91 ~~(e) Upon receipt of the signed purchase and sale agreement with the payment of the deposit by~~

92 ~~the prospective buyer, the treasurer shall determine if the deposit required under subsection (b)(2)~~  
93 ~~has been tendered. If so, the treasurer shall retain the proposed purchase and sale agreement in a~~  
94 ~~secure location and send notice by U.S. mail of the offer to purchase to owners of lots which are~~  
95 ~~directly adjacent to the subject parcel. A copy of the notice shall also be sent to the councilperson~~  
96 ~~in whose ward the parcel of land lies. The notice shall contain the assessor's plat and lot of the~~  
97 ~~subject parcel. An owner of any lot which is directly adjacent to the subject parcel may, within 30~~  
98 ~~days of the date of notice from the treasurer, submit an offer to purchase the subject parcel under~~  
99 ~~the terms and conditions outlined in subsection (b). All proposed purchase and sale agreements for~~  
100 ~~the subject parcel shall be kept sealed until opened by the city council's public properties~~  
101 ~~committee. The treasurer shall also send a notice with a request for a recommendation as to~~  
102 ~~whether the city should sell the subject parcel to the director of the planning department, the city~~  
103 ~~conservation commission, the clerk of the zoning board, the tax assessor, the city engineer, the~~  
104 ~~land trust and the finance director. The recommendations must be returned to the treasurer within~~  
105 ~~30 days of the date of the notice from the treasurer. Upon receipt of the recommendations and any~~  
106 ~~other timely offers to purchase the subject parcel, the treasurer shall send the completed appraisal~~  
107 ~~report, the proposed purchase and sale agreement(s) and the recommendations to the city clerk~~  
108 ~~who shall place the matter on the docket for the next business meeting of the city council. The~~  
109 ~~offers to purchase shall be opened at the city council's public properties committee meeting and~~  
110 ~~all offers and the recommendations of the city departments shall be considered. The city council~~  
111 ~~may adopt a resolution approving or denying the sale of the subject parcel at any time after all~~  
112 ~~offers have been considered pursuant to this section. In approving a sale, the highest bidding~~  
113 ~~offeror, who is ready, willing and able to complete the purchase in a reasonable time, shall prevail.~~  
114 ~~However, in the event that two or more eligible parties have submitted identical offers for the~~  
115 ~~subject parcel, then those parties may submit counter offers in the form of amended purchase and~~  
116 ~~sale agreements within ten days of the opening of the original proposals. Any counter offer shall~~  
117 ~~be delivered to the treasurer in a sealed envelope clearly marked with the words "offer to purchase~~  
118 ~~land held by the City of Warwick", or words of a similar nature, and the assessor's plat and lot~~  
119 ~~number of the subject parcel. The envelope shall be kept sealed until opened along with any other~~  
120 ~~counter offers to purchase the subject parcel at the next scheduled meeting of the city council's~~  
121 ~~public properties committee (subject to the rules of the city council and the Rhode Island Open~~  
122 ~~Meetings Act). This process shall be repeated until a highest bidding offeror, who is ready, willing~~  
123 ~~and able to complete the purchase in a reasonable time, may be identified. Notwithstanding the~~  
124 ~~foregoing, upon receipt of and consideration of the recommendations of the city departments, the~~  
125 ~~city council may adopt a resolution denying the sale of the subject parcel at any time, or approving~~  
126 ~~the division of the parcel of land between abutting property owners to be sold in a proportion~~  
127 ~~agreeable to said abutters, the total purchase price of which shall be equal to the highest bid,~~  
128 ~~payable by the purchasers in proportion of the percentage of the entire parcel they are to receive.~~

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130 (d) ~~Upon adoption of the resolution approving the sale of the subject lot, the treasurer shall~~  
131 ~~execute the purchase and sale agreement on behalf of the city and shall deposit into the city's~~  
132 ~~accounts the deposit check submitted by the prevailing party. All other deposits shall be returned~~  
133 ~~to the offering parties. Thereafter, the city solicitor shall proceed to prepare, or cause to be~~  
134 ~~prepared, any and all documentation necessary for the subject parcel to be conveyed to the~~  
135 ~~purchaser in accordance with the terms of the purchase and sale agreement.~~

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138 Section II: This Ordinance shall take effect immediately upon its passage and publication as  
139 prescribed by law.

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SPONSORED BY: COUNCIL PRESIDENT MCALLISTER  
ON BEHALF OF MAYOR PICOZZI

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COMMITTEE: ORDINANCE

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