

COMMISSION ADOPTED POLICY
***Disposition of Real Property – As Determined
to be no Longer Useful or Needed***



Adopted: December 21, 2021

Revised: N/A

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1.0 Purpose and Need

To establish procedures for disposing of real property to individuals or entities. Periodically, HRSD determines that certain real property it owns in fee simple is no longer needed or useful. In such circumstances, it may be in the best interest of HRSD to dispose of such real property.

These procedures do not apply to “*Facility Transfer Commission Adopted Policy*” originally adopted September 30, 2019. This policy is made in furtherance of, and does not supersede, “*Procurement Policy Commission Adopted Policy*” originally adopted December 16, 2014 including *Real Property Approvals* [Section 5.0(11)], as amended.

2.0 Guiding Principles

HRSD is responsible for ensuring adequate sewage treatment and conveyance capacity exists to meet the current and future sanitary sewer needs within the HRSD service area, and for operating and maintaining the sanitary sewer system, to protect public health and the environment.

HRSD is committed to real estate management practices that are accountable to our ratepayers and the public, ethical, impartial, professional, transparent and fully in accordance with applicable law.

In meeting its commitment to sound real estate management practices, it may be in the best interest of HRSD to dispose of real property that it owns in fee simple that it no longer needs or is useful to it.

3.0 Procedures

Identification. HRSD through its Real Estate Manager shall identify real property that is no longer needed or useful to the current and reasonably anticipated future needs of HRSD and may seek to dispose of such real property. Such identification may be made in consideration of requests from third-parties to HRSD regarding the disposition of real property.

Evaluation. HRSD through its Real Estate Manager shall evaluate the real property, which review will include input from members of the Engineering and Operations Departments in determining whether identified real property (or a portion thereof) is no longer needed or useful to the current and reasonably anticipated future needs of HRSD. The evaluation shall include review as to

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whether HRSD is to retain any interest in the real property, including, for example, easement or right of way.

Disposition of Real Property. Following an evaluation by the Real Estate Manager resulting in a determination that identified real property (or a portion thereof) is no longer needed or useful to the current and reasonably anticipated future needs of HRSD, HRSD may seek to dispose of such real property.

- a. In connection with the disposition of any real property, HRSD shall confirm its ownership of such real property. Where deemed appropriate, HRSD shall obtain a title report to confirm ownership of the real property.
- b. Generally, fair market value shall be the basis of any disposition of real property. Where deemed appropriate, HRSD may obtain an appraisal of the real property. Acquisition of an appraisal shall be made upon approval of the Director of Engineering. Certain circumstances may warrant a disposition of real property upon terms other than fair market value.
- c. The disposition of real property, including the terms for any such disposition, shall be subject to the approval of the Commission.
- d. The Real Estate Manager shall prepare a recommendation for approval by the Commission of the disposition of real property, which recommendation shall include:
 - (1) confirmation that the real property is no longer needed or useful to the current and reasonably anticipated future needs of HRSD,
 - (2) the proposed terms of any such disposition, and
 - (3) if the terms include a disposition for less than fair market value, a description of the nature of the circumstances warranting such disposition.
- e. Upon approval by the Commission, the instrument disposing of such real property shall be executed in the name of HRSD and shall be in a form approved by HRSD's counsel.

Property Acquired by Eminent Domain. To the extent the real property was acquired, in whole or in part, by the exercise of the power of eminent domain, any disposition of such property shall comply with the applicable statutory requirements governing the disposition of such property to the extent deemed "surplus" as set forth in *Virginia Code § 25.1-108*, as amended.

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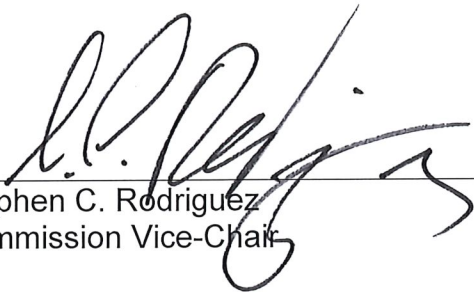
Implementation. The Director of Engineering shall establish procedures consistent with this policy and may designate other HRSD staff to act on their behalf.

4.0 Responsibility and Authority

This policy was developed in accordance with HRSD's Enabling Act. Any changes to this policy shall be made in writing and approved by the Commission.

This policy shall be reviewed as needed by the Director of Engineering and revised as required to conform to current law and regulations.

Approved:



Stephen C. Rodriguez
Commission Vice-Chair

12/21/2021
Date

Attest:



Jennifer L. Cascio
Commission Secretary

12/21/2021
Date