

INTRODUCED: April 25, 2016

AN ORDINANCE No. 2016-136

To approve the Work Plan and Budget for the fiscal year ending Jun. 30, 2017, for the provision of services in the Downtown Richmond Special Service and Assessment Districts.

Patron – Ms. Graziano

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAY 23 2016 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Work Plan and Budget for the fiscal year ending June 30, 2017, for the provision of services in the Downtown Richmond Special Service and Assessment Districts and their overlay districts, as attached to this ordinance, are hereby approved.

§ 2. This ordinance shall be in force and effect upon adoption.

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: MAY 23 2016 REJECTED: _____ STRICKEN: _____



Richmond City Council

The Voice of the People

Richmond, Virginia

Lou Brown Ali
Council Chief of Staff

Office of the Council Chief of Staff

Council Ordinance/Resolution Request

TO Allen L. Jackson, Richmond City Attorney

THROUGH Lou Brown Ali, Council Chief of Staff *LB*

FROM Joyce L. Davis, Council Policy Analyst
Office of the Council Chief of Staff *JLD*

COPY Kathy Graziano, 4th District Council member
Haskell Brown, Deputy City Attorney
Vincent Jones, Deputy Council Chief of Staff
Tim Grimes, 4th District Liaison

RECEIVED

APR 01 2016

OFFICE OF CITY ATTORNEY

DATE March 29, 2016

PAGE/s 1 of 2

TITLE: Approval of Annual Budget and Work Plan FY 16-17 for services in the Downtown Richmond Special Service and Assessment Districts

This is a request for the drafting of an **Ordinance** **Resolution**

REQUESTING COUNCILMEMBER/PATRON

Council member Kathy Graziano

SUGGESTED STANDING COMMITTEE

Finance Committee

ORDINANCE/RESOLUTION SUMMARY

Ordinance to approve the Work Plan and Budget for the fiscal year ending June 30, 2017 for the provision of services in the Downtown Richmond Special Service and Assessment Districts.

BACKGROUND

The patron requests an ordinance to approve the Work Plan and Budget for the fiscal year ending June 30, 2017, for the provision of services in the Downtown Richmond Special Service and Assessment Districts. Attached is the FY 17 budget and Work Plan.

Venture Richmond manages the Downtown Special Assessment District and submits an annual Work Plan and Budget to City Council. Upon approval of this plan, by ordinance, Venture Richmond will continue to manage the district through June 30, 2017. Venture Richmond provides management of the Clean and Safe Program, provides marketing services, sponsors various downtown events and manages various programs in the Riverfront Overlay District such as the canal cruises.

Fiscal Impact

The City provides a contribution to the Venture Richmond program annually. It is used to pay for the Clean & Safe program managed by Venture Richmond. The Mayor's proposed FY17 budget includes \$990,248 in Non-Departmental funds for Venture Richmond.

The City originally agreed to outsource the Downtown sidewalk cleaning program (\$700,000) to Richmond Renaissance (now Venture Richmond) as part of 50/50 partnership between the City and Downtown property owners/businesses who agreed to increase their Special Service District Tax Rate from \$0.03/\$100 of assessed value to \$0.05/\$100. Currently, the Downtown property owners/business fund 71% of the Service District programs and the City's share is 29%. Venture Richmond also receives funding from Special Assessment Districts.

Venture Richmond also received special funds from the following sources for FY 17: Riverfront Special Assessment \$525,000 and Special Assessment Districts \$1,400,000.

FISCAL IMPACT STATEMENT

Fiscal Impact Yes No

Budget Amendment Required Yes No

Estimated Cost or Revenue Impact

Funding is expected to be included in the FY 2017 proposed and adopted budgets.

Attachment/s Yes No

Richmond City Council Ordinance/Resolution Request Form/updated 12.22.08/srs

Venture Richmond Special Assessment District Management

Work Plan and Budget FY 2016-2017

Venture Richmond represents the merger of Venture Richmond, River District Alliance, Richmond Riverfront Corporation and City Celebrations. Venture Richmond is under contract with the City of Richmond to manage the Downtown Special Service and Assessment Districts.

PROGRAM EVALUATION

The Service District programs were established in 1990 and are supported by the City of Richmond Administration, City Council and the Downtown business community. The FY 2016-2017 Work Plan and Budget continues to support the recommendations from a comprehensive evaluation of the Service District programs in 2006. The evaluation included: a VCU Metro Poll Telephone Survey of residents in the region to determine the community perceptions of Downtown Richmond; an online opinion survey for Downtown property owners, residents and businesses who pay the Special Assessment; and focus group discussions with the Downtown neighborhood organizations and Venture Richmond committees. We plan to undergo another evaluation in the next year or so.

There is strong support for the Service District programs, in fact, 82% of the tax payers, who filled out the online survey, believed we should continue to provide enhanced services, such as Clean & Safe and marketing, for Downtown.

CLEAN & SAFE

The Downtown Special Assessment District continues to enjoy remarkable success, helping to transform a historic downtown into a thriving, vibrant area which is emerging as a key tax base driver for the City.

In accordance with the applicable Ordinance that formed the basis of the public-private partnership and imposed a \$.05/100 special assessment on District property owners, the City of Richmond's share of this program is \$700,000 annually. Private sector support via the special assessment exceeds the "City share" and continues to escalate.

The **goals** of the Downtown Clean and Safe Program include the following:

- Enhance the **cleanliness** of Downtown, Venture Richmond has contracted with Community Business Group to provide sidewalk cleaning services, landscape maintenance and other cleanliness related services in the districts. The Clean and Safe team provides an **enhanced sense of safety** on the streets and operates seven days a week. Funds (\$700,000) previously used by the City to provide sidewalk cleaning services Downtown are transferred and outsourced to Venture Richmond to help fund this program.
- **Beautify Downtown**, Venture Richmond will continue to work with the City of Richmond to maintain and mulch 450 tree wells in the district. This fills a void that some active civic associations would otherwise provide, but is not provided by the City on a consistent basis. Venture Richmond oversees and maintains the new Broad/Grace Street Beautification program, developed in partnership with Lewis Ginter Botanical Garden. Venture Richmond oversees and maintains the 3rd and 5th Street Gateway Beautification Program developed in partnership with Maymont and the City. Venture Richmond contracts with KleaneKare to provide the ongoing watering and maintenance for both beautification projects. Additional beautification projects overseen and funded by Venture Richmond include the 12th and Canal St. median, 14th and Dock St. median and the hanging baskets in Shockoe.
- Enhance the **feeling of safety** Downtown by providing enhanced cleaning, additional eyes and ears on the street, beautification services that exceeded normal City standards, and handling the difficult problem areas that require constant attention.

NEIGHBORHOOD PROGRAMS

To work with the Shockoe Slip and the Broad/Grace Consumer Districts to support specific programs that benefit those neighborhoods, such as capital improvement and beautification projects, neighborhood marketing initiatives, and events.

It should be noted that no City funds are used for these programs. These consumer districts had an extra tax assessment in the past, and the remaining balance of those funds is being used for these programs.

DOWNTOWN MARKETING

In addition to our ongoing marketing and promotional efforts for Downtown and the Riverfront Canal Cruises, Venture Richmond will continue to lead the RVA Branding initiative.

DOWNTOWN EVENTS

To support major community festivals produced by Venture Richmond, such as the Richmond Folk Festival, 2nd Street Festival, and Friday Cheers.

RIVERFRONT DISTRICT

To fund the development and implementation of programs and property management for Richmond's Riverfront Overlay Districts. The annual work plan for this area includes:

- Maintain Tredegar Green as a public open space
- Continue to improve the level of maintenance and landscaping of the Canal Walk corridor, Brown's Island, Bayscape Area – Haxall Headgate Park, Tredegar Green and all of the leased areas;
- Facilitate interest in Richmond Riverfront development opportunities and provide assistance to developers and tenants;
- Coordinate private covenant and Riverfront design guideline compliance and Architectural Review Committee reviews of riverfront projects;
- Coordinate continuous improvements along the canal and riverfront area;
- Develop and spearhead a "botanical makeover" of the Canal Walk from Reynold's east towards the Floodwall, working in partnership with Lewis Ginter Botanical Garden and corporate volunteers.
- Continue site management role and active licensing of Brown's Island and Turning Basin event venues.
- Secure renewal or replacement of all business package, workers compensation, marine liability and general liability insurance policies.
- Annual upkeep of the historic interpretations
- Operate and market the Riverfront Canal C

As a condition to the continuation of the Agreement for the Provision Downtown Richmond Special Service and Assessment Districts date modified, amended and assigned (the "Services Agreement") and to performance under the Services Agreement, Venture Richmond here City (as defined in the Services Agreement) a lien on substantially all Richmond.

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Venture Richmond - Service Districts
 Consolidated Budget
 Budget FY 2016-2017

FY 16-17 Budget		Consolidated Service District Total	General District	Riverfront	Shockoe Slip	Broad/Grace
Projected Income (July 1, 2016-June 30, 2017)						
Interest Income - Service Districts		324	324			
Transfer from Fund Balance		49,840				
Assessed Funds (General District)		1,450,970	1,450,970		24,262	25,378
Assessed Funds (City account balance/carryover)		0				
Clean & Safe- City Share		700,000	700,000			
Assessed Funds (Riverfront)		400,000		400,000		
Riverfront-Other Revenue (earned and GD support)		402,595		402,595		
Projected Total Income - FY 2016-2017		3,003,529	2,151,294	802,595	24,262	25,378
TOTAL Income		3,003,529	2,151,294	802,595	24,262	25,378
Expenses (July 1, 2016-June 30, 2017)						
GD support to Riverfront		210,736	210,736			
Audit		5,000	5,000			
Clean & Safe Landscaping & Beautification		157,000	157,000			
Clean & Safe Contract Services		898,000	898,000			
Depreciation - Clean & Safe Equipment		37,734	37,734			
Insurance		5,413	5,413			
Bank Fees		283	283			
Downtown Marketing		242,847	242,847			
Legal		3,000	3,000			
Neighborhood Programs		49,640				
New Initiative		-				
Program Management		268,281	268,281			
GD support to Richmond Folk Festival		200,000	200,000			
GD support to Friday Cheers		50,000	50,000			
GD support to 2nd Street Festival		75,000	75,000			
Riverfront (maintenance and operations)		802,595		802,595		
TOTAL EXPENSES		3,003,529	2,151,294	802,595	24,262	25,378
NET INCOME - June 30, 2017		0	0	0	0	0

Notes to FY 2016-2017 budget

- * Use of fund balance from Shockoe Slip Consumer District & Broad/Grace Consumer District
- ** Clean & Safe equipment is a purchase using funding from previous tax years; amortized over 4 years