

INTRODUCED: April 28, 2014

AN ORDINANCE No. 2014-99-73

To amend Ord. No. 2013-66-80, adopted May 28, 2013, which (i) accepted a program of proposed Capital Improvement Projects for Fiscal Year 2013-2014 and the four fiscal years thereafter, (ii) adopted a Capital Budget for Fiscal Year 2013-2014, and (iii) determined a means of financing the same, to amend the Fiscal Year 2013-2014 Capital Budget by increasing revenues from planned borrowings and the amount appropriated to the Southside Community Center project in the Culture and Recreation category by \$1,584,000 and to amend the Capital Improvement Program for Fiscal Year 2013-2014 and the four fiscal years thereafter by decreasing planned borrowings and the amount appropriated to the Southside Community Center project in the Culture and Recreation category by \$396,000 in Fiscal Year 2014-2015 and \$1,188,000 in Fiscal Year 2015-2016 for the purpose of accelerating funding for the acquisition of parcels of real property known as 6255 Old Warwick Road, 6277 Old Warwick Road, 6295 Old Warwick Road, and 6295A Old Warwick Road for the purpose of constructing improvements and operating a public park, recreational center, and athletic fields thereon.

\_\_\_\_\_  
Patron – Mayor Jones

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Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: MAY 12 2014 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Ordinance No. 2013-66-80, adopted May 28, 2013, which (i) accepted a program of proposed Capital Improvement Projects for the fiscal year commencing July 1, 2013, and ending June 30, 2014, and the four fiscal years thereafter, (ii) adopted a Capital Budget for

AYES:                    8                    NOES:                    0                    ABSTAIN: \_\_\_\_\_

ADOPTED:            May 12 2014            REJECTED: \_\_\_\_\_            STRICKEN: \_\_\_\_\_

the fiscal year commencing July 1, 2013, and ending June 30, 2014, and (iii) determined a means of financing the same, be and is hereby amended and reordained by:

(a) amending the Capital Budget for the fiscal year commencing July 1, 2013, and ending June 30, 2014, by increasing planned borrowings by \$1,584,000 and the amount appropriated to the Southside Community Center project in the Culture and Recreation category by \$1,584,000;

(b) amending the program of proposed Capital Improvement Projects for the fiscal year commencing July 1, 2013, and ending June 30, 2014, and the four fiscal years thereafter by decreasing planned borrowings by \$396,000 and the planned appropriation to the Southside Community Center project in the Culture and Recreation category by \$396,000 in the fiscal year commencing July 1, 2014, and ending June 30, 2015; and

(c) amending the program of proposed Capital Improvement Projects for the fiscal year commencing July 1, 2013, and ending June 30, 2014, and the four fiscal years thereafter by decreasing planned borrowings by \$1,188,000 and the planned appropriation to the Southside Community Center project in the Culture and Recreation category by \$1,188,000 in the fiscal year commencing July 1, 2015, and ending June 30, 2016,

for the purpose of accelerating funding for the acquisition of parcels of real property known as 6255 Old Warwick Road, 6277 Old Warwick Road, 6295 Old Warwick Road, and 6295A Old Warwick Road for the purpose of constructing improvements and operating a public park, recreational center, and athletic fields thereon.

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



# CITY OF RICHMOND

## INTRACITY CORRESPONDENCE



### O&R REQUEST

**DATE:** April 2, 2014

**EDITION:** Q & R REQUEST

APR 02 2014

**TO:** The Honorable Members of City Council

Chief Administration Office  
City of Richmond

**THROUGH:** Dwight C. Jones, Mayor

**THROUGH:** Byron C. Marshall, Chief Administrative Officer

**THROUGH:** Christopher Beschler, DCAO of Operations

**THROUGH:** Sharon O. Judkins, DCAO of Finance and Administration

**THROUGH:** Jay Brown, Interim Director of Budget and Strategic Planning

**THROUGH:** Peter Chapman, DCAO of Economic Development & Planning

**FROM:** Norman C. Merrifield, Ed.D. Director of Parks, Recreation and Community Facilities

**RE:** FY2014 – FY2018 Capital Budget Amendment for ‘Culture & Recreation’ to purchase 17.774 acres of real property owned by the Richmond Outreach Center, Inc. known as 6255, 6295, 6295A and 6277 Old Warwick Road, Richmond, Virginia to serve District 9 with parkland and recreational programming.

**ORD. OR RES. No.**

**PURPOSE:** To amend the FY2014-FY2018 Capital Improvement Budget by:

- Transferring \$1,584,000 of the planned FY2015 ‘Southside Community Center Projects’ in the Culture & Recreation Category along with the existing General Obligation Bond funding to FY2014.
- In addition, this request transfers \$1,188,000 in the FY2016 planned appropriation and General Obligation Bond funding to FY2015 to provide the ability to complete the entire capital improvement project in FY2015.

201404006

**REASON:** To provide additional funding to purchase 17.774 acres of real property owned by the Richmond Outreach Center, Inc known as 6255, 6295, 6295A and 6277 Old Warwick Road, Richmond, Virginia located on the Southside of Richmond – 9<sup>th</sup> District.

**RECOMMENDATION:** The Administration recommends adoption of this ordinance.

**BACKGROUND:**

The City would like to purchase the 17.774 acres that comprises approximately 70,943 square feet of building at an agreed upon price of \$1,700,000.

The property contains:

- One full sized gymnasium (similar to a standard high school facility)
- A metal building that houses a practice boxing/fitness facility and three bay door garages
- A small school with approximately 26 classrooms and small cafeteria.
- A social recreational teen facility (small)
- A church chapel and sanctuary
- Two (2) single-family dwellings (one with a life estate agreement)
- A regulation size soccer field
- Two (2) little league baseball fields; and
- One (1) skate park

The properties are zoned R-3. The owner's asking price was \$2,600,000. The current combined City assessment for land and improvement for the 4 parcels is \$2,838,000. Our offer was less, based on the current condition of the facilities which are in need of renovations to meet building codes for Parks and Recreations use. The gymnasium replacement cost alone was informally estimated at approximately \$2 million from a well-respected architect that inspected the facilities. The majority of the facilities, after capital repairs, will be available and timely in terms of allowing for parks and recreational programming. Prior to the sale of the property the current owner will relocate an existing life estate from Tax Parcel # C0070099033 to a small parcel containing the Single-Family Dwelling located in the northwest corner of Tax Parcel #C0070099024 in order to cause the least impact on future Park and Recreation uses for the site.

**FISCAL IMPACT/COST:**

There is no additional cost to the City except for additional future debt service associated with a bond authorization amendment for \$1,584,000.

**FISCAL IMPLICATIONS:** Current market conditions offer opportunistic buys for existing buildings at a cost well below the cost of new construction. The purchase option represented the best economic option for the City for long term use of the site for Park and Recreation purposes.

**BUDGET AMENDMENT NECESSARY:** Yes, Amend ORD 2013-66-80 - FY 2014 -18 Approved Capital Improvement Budget in the "Culture & Recreation Category" for "Southside Community Center Project (130-NEW) Council District 9."

**REVENUE TO CITY:** Estimate \$100,000-\$150,000 annually from rental and program fees by the end of FY2016, subject to facility upgrades.

**DESIRED EFFECTIVE DATE:** Upon Adoption

**REQUESTED INTRODUCTION DATE:** April 28, 2014

**CITY COUNCIL PUBLIC HEARING DATE:** May 12, 2014

**REQUESTED AGENDA:** Consent Agenda

**RECOMMENDED COUNCIL COMMITTEE:** City of Richmond Finance Committee

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** N/A

**AFFECTED AGENCIES:** Mayor, Chief Administrative Officer, Richmond Public Schools, Office of the City Attorney, Department of Finance, Department of Budget and Strategic Planning, Department of Economic and Community Development, Office of the City Assessor, Department of Parks and Recreation, and Department of Planning and Development Review

**RELATIONSHIP TO EXISTING ORD. OR RES.:** 2013-66-80 - FY 2014 -18 Approved CIP budget.

**REQUIRED CHANGES TO WORK PROGRAM(S):** None

**ATTACHMENTS:** None

**STAFF:** Norman C. Merrifield, Ed. D, Director of Parks, Recreation and Community Facilities  
James P. Duval, Investment and Debt Management, Department of Finance