

INTRODUCED: July 27, 2015

AN ORDINANCE No. 2015-169-175

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to provide the notice to the Virginia Port Authority required to evidence the City's approval of the renewal of a Deed of Facilities Lease Agreement, under which the City leases to the Authority the property located at 5000 Deepwater Terminal Road, known as the Port of Richmond, for a five-year renewal term commencing on Jul. 1, 2016, and ending on Jun. 30, 2021.

\_\_\_\_\_  
Patron – Mayor Jones

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

PUBLIC HEARING: SEPT 8, 2015 AT 5 P.M.

WHEREAS, pursuant to Ordinance No. 2011-32-75, adopted May 23, 2011, the City, as lessor, entered into a certain Deed of Facilities Lease Agreement with the Virginia Port Authority (the "Authority") as lessee dated June 30, 2011 (the "Lease") for the leasing of the property located at 5000 Deepwater Terminal Road, known as the Port of Richmond; and

WHEREAS, the Lease's initial term ends on June 30, 2016, the Lease provides for up to three additional five-year renewal terms are available subject to the approval of the City Council, and the Lease requires that the Authority notify the City not later than one year prior to the end

AYES:            9            NOES:            0            ABSTAIN: \_\_\_\_\_

ADOPTED:    SEPT 14 2015    REJECTED: \_\_\_\_\_    STRICKEN: \_\_\_\_\_

of the then-current term of the Authority's desire to renew the Lease for the next renewal term;  
and

WHEREAS, by a letter addressed to the Chief Administrative Officer dated June 25, 2015, the Authority notified the City of the Authority's desire to renew the Lease for a five-year renewal term commencing on July 1, 2016, and ending on June 30, 2021; and

WHEREAS, the Council believes that it is in the best interests of the City that the Council grant its approval to the renewal of the Lease by authorizing the Chief Administrative Officer to notify the Authority in writing of the City's approval of the renewal of the Lease in accordance with the Lease's terms;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, is hereby authorized to provide such notice to the Virginia Port Authority as may be required pursuant to the Deed of Facilities Lease Agreement between the City and the Virginia Port Authority dated June 30, 2011, to evidence the City's approval of the renewal of such Deed of Facilities Lease Agreement for a five-year renewal term commencing on July 1, 2016, and ending on June 30, 2021, in accordance with the terms of such Deed of Facilities Lease Agreement.

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

O & R Request

RECEIVED

O & R REQUEST

DRAFT

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4-3872

Chief Administration Office  
City of Richmond



OFFICE OF CITY CLERK

CITY OF RICHMOND


INTRACITY CORRESPONDENCE

O&R REQUEST

DATE: June 23, 2015

EDITION: 1

TO: THE HONORABLE MEMBERS OF CITY COUNCIL

THROUGH: DWIGHT C. JONES, MAYOR 

FROM: SELENA CUFFEE-GLENN, CHIEF ADMINISTRATIVE OFFICER 

RE: Renewal of Lease for Port of Richmond Facilities and Equipment to Virginia Port Authority

ORD. OR RES. No. \_\_\_\_\_

**PURPOSE:** To AUTHORIZE THE CHIEF ADMINISTRATIVE OFFICER TO EXTEND THE DEED OF FACILITIES LEASE AGREEMENT FOR PORT OF RICHMOND DATED JUNE 30, 2011 (THE "LEASE") BETWEEN THE CITY OF RICHMOND (THE "CITY") AND THE VIRGINIA PORT AUTHORITY (THE "VPA") FOR ONE (1) ADDITIONAL FIVE (5) YEAR RENEWAL TERM PURSUANT TO THE TERMS OF THE EXISTING LEASE.

**REASON:** Pursuant to Section 2, of the Lease, each renewal term of the Lease is subject to approval by the City Council. In its letter dated June 25, 2015, the VPA has requested an additional renewal term that will commence on July 1, 2016 and expire on June 30, 2021. The City Administration accordingly requests such approval.

**RECOMMENDATION:** The City Administration recommends approval.

**BACKGROUND:** The VPA has been the tenant and has operated the Port of Richmond facility for the past four (4) years pursuant to the Lease. The rent for the Lease is \$75,000 annually as set forth in Section 3.1.1 of the Lease, adjusted for the Consumer Price Index for renewal terms pursuant to Section 3.1.4. During the renewal term, terms and conditions of the Lease will continue to apply.

**FISCAL IMPACT/COST TO CITY:** n/a

**REVENUE TO CITY:** \$75,000 annually for five (5) years as set forth in Section 3.1.1 of the Lease, adjusted for the Consumer Price Index pursuant to Section 3.1.4.

O & R Request

**DESIRED EFFECTIVE DATE:** Upon adoption

**REQUESTED INTRODUCTION DATE:** July 27, 2015

**CITY COUNCIL PUBLIC HEARING DATE:** September 8, 2015

**REQUESTED AGENDA:** Regular

**RECOMMENDED COUNCIL COMMITTEE:** None

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** n/a

**AFFECTED AGENCIES:** n/a

**RELATIONSHIP TO EXISTING ORD. OR RES.:** Ordinance No. 2011-32-75, dated May 23, 2011

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

**ATTACHMENTS:** Letter from VPA dated June 25, 2015  
Ordinance No. 2011-32-75, dated May 23, 2011, with Lease

**STAFF:** n/a

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John F. Reinhart  
CEO and Executive Director

Virginia Port Authority  
600 World Trade Center  
Norfolk, VA 23510

June 25, 2015

**VIA OVERNIGHT AND ELECTRONIC DELIVERY**

Chief Administrative Officer  
City of Richmond  
900 East Broad Street, Suite 201  
Richmond, Virginia 23219

City Attorney  
City of Richmond  
900 East Broad Street, Room 300  
Richmond, Virginia 23219

Re: Lease of Port of Richmond by Virginia Port Authority - Renewal Notice

Dear Sir or Madam:

This letter is sent in connection with the Deed of Facilities Lease Agreement for Port of Richmond dated June 30, 2011 (the "Lease") between the City of Richmond, as Lessor, and the Virginia Port Authority, as Lessee. Pursuant to Section 2 of the Lease, Lessee hereby sends notice of Lessee's desire and intent to renew the Lease for the Renewal Term that will commence on July 1, 2016 and expire June 30, 2021. Lessee looks forward to receiving the City's response within 120 days, as provided in Section 2 of the Lease.

Very truly yours,

John F. Reinhart  
CEO and Executive Director