

INTRODUCED: November 14, 2016

AN ORDINANCE No. 2016-278

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a First Amended and Restated Dove Street Redevelopment Program Area Implementation Program Cooperation Agreement between the City of Richmond and the Richmond Redevelopment and Housing Authority for the purpose of making a grant to the Authority for the design, development, and implementation of various street, sidewalk, alley, water, sewer, and drainage infrastructure improvements necessary for the redevelopment of the Dove Street Redevelopment Area in the city of Richmond.

\_\_\_\_\_  
Patron – Mayor Jones

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

PUBLIC HEARING: DEC 12 2016 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute the First Amended and Restated Dove Street Redevelopment Program Area Implementation Program Cooperation Agreement between the City of Richmond and the Richmond Redevelopment and Housing Authority for the purpose of making a grant to the Authority for the design, development, and implementation of various

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

ADOPTED:    DEC 12 2016    REJECTED: \_\_\_\_\_    STRICKEN: \_\_\_\_\_

street, sidewalk, alley, water, sewer, and drainage infrastructure improvements necessary for the redevelopment of the Dove Street Redevelopment Area in the city of Richmond. The First Amended and Restated Dove Street Redevelopment Program Area Implementation Program Cooperation Agreement shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

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



CITY OF RICHMOND
INTRACITY CORRESPONDENCE

O & R REQUEST

NOV 4 2016
4-5870
Chief Administration Office
City of Richmond

O&R REQUEST

DATE: November 1, 2016

RECEIVED

TO: The Honorable Members of City Council

NOV 07 2016

THROUGH: Dwight C. Jones, Mayor (Patron: Mayor, by Request)

OFFICE OF CITY ATTORNEY

THROUGH: Selena Cuffee-Glenn, Chief Administrative Officer

THROUGH: Lenora G. Reid, Deputy Chief Administrative Officer for Finance & Administration

THROUGH: John B. Wack, Director of Finance

THROUGH: Jay A. Brown, Ph.D., Director of Budget & Strategic Planning

THROUGH: Peter L. Downey, Deputy Chief Administrative Officer for Economic Development and Planning

FROM: Mark A. Olinger, Director
Department of Planning & Development Review

RE: CITY COUNCIL FIRST AMENDED AND RESTATED APPROVAL OF THE DOVE STREET REDEVELOPMENT PROGRAM AREA IMPLEMENTATION PROGRAM COOPERATION AGREEMENT

ORD. OR RES. No:

PURPOSE: For City Council to authorize the Chief Administrative Officer to execute, on behalf of the City, the First Amended and Restated Dove Street Redevelopment Program Area Implementation Program Cooperation Agreement providing \$4,415,000 in funding appropriated in the Fiscal Year 2017 Capital Improvement Program Highland Grove/Dove Street Redevelopment and Revitalization Infrastructure Improvements project for planning activities and infrastructure improvements in the Highland Grove/Dove Street area (the "Project Area"). All resources committed to this project by the City of Richmond through this agreement will be used specifically for those items identified in the Fiscal Year 2017 Capital Improvement Program Highland Grove/Dove Street Redevelopment and Revitalization Infrastructure Improvements project budget.

REASON: It is necessary for the City Council to approve the First Amended and Restated Dove Street Redevelopment Program Area Implementation Program Cooperation Agreement to provide funding (\$4,415,000) authorized in the FY 2017 Capital Improvement Program to allow

the Richmond Redevelopment and Housing Authority (RRHA) to design, develop, and implement various street, sidewalk, alley, water, sewer, and drainage infrastructure improvements needed for the redevelopment of the Dove Street Redevelopment Area identified in the Redevelopment Plan for the Dove Street Redevelopment Area prepared by RRHA and dated June 8, 2006 (the "Infrastructure Project"). Budget details are included in "Amended Exhibit A" of the First Amended and Restated Dove Street Redevelopment Program Area Implementation Program Cooperation Agreement, which has been attached to this request.

**RECOMMENDATION:** The recommendation is to approve and execute the First Amended and Restated Dove Street Redevelopment Program Area Implementation Program Cooperation Agreement, so that RRHA may utilize the \$4,415,000 in CIP funding to implement the Infrastructure Project.

**BACKGROUND:** Since its adoption in 2006, RRHA, its development partner, and the City have completed Phase 1 (80 rental units) and Phase 2 (48 rental units), associated infrastructure improvements to support the new residential units, and the demolition of the former Dove Street Armory. All of these were part of its partnership's strategy to revitalize residential and commercial properties with the creation and improvement of quality affordable housing and the development of mixed-use/mixed-income planned communities.

A significant element of the site master plan for the greater Highland Grove/Dove community was the construction of a new elementary school in the Project Area. While siting of the proposed school was going through various review processes, additional development was put on hold pending resolution of the school's location. Following extensive review and discussions with Richmond Public Schools it has become apparent that a new Dove School will not be built.

The reprogramming of the former Dove School funding to the Infrastructure Project will permit RRHA to undertake the necessary planning, design and improvements required for the remaining phases of the residential development through the Infrastructure Project. Streets and other public rights-of-way will be constructed as approved by the City of Richmond. Utilities and other public facilities or site improvements will be installed, altered, retained or abandoned as required to carry out the Infrastructure Project. A series of meetings and community engagements will be used to create a plan for the character of the development prior to the development of construction documentation and implementation.

**FISCAL IMPACT/COST:** The public funds (\$4,415,000) provided by the City of Richmond through annual allocations from the City's Capital Improvement Program Budget will be used specifically and exclusively for the purpose of implementing the Infrastructure Project as identified in this agreement.

**REVENUE TO CITY:** The Infrastructure Project will directly affect the City tax revenues through redevelopment of properties supported by the Infrastructure Project. The increase in property values from the redeveloped vacant land and the positive effect on the area as a whole will result in a net gain in City tax revenue. RRHA estimates that the approved CIP funding will ultimately result in taxable assessed valuation of approximately \$26.5 million, generating over \$310,000 per year in property tax revenue at project completion. It is anticipated that there will be approximately \$4.62 of private investment for every \$1.00 of City investment.

**DESIRED EFFECTIVE DATE:** Upon adoption.

**REQUESTED INTRODUCTION DATE:** November 14, 2016

**CITY COUNCIL PUBLIC HEARING DATE:** December 12, 2016

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Land Use, Housing and Transportation Standing Committee, November 15, 2016

**CONSIDERATION BY OTHER GOVERNMENTAL AGENCIES:** None

**AFFECTED AGENCIES:** Department of Planning & Development Review, Department of Economic and Community Development, Department of Budget & Strategic Planning, and Office of the City Attorney

**RELATIONSHIP TO EXISTING ORDINANCES:** Ordinance 2008-181-182

**REQUIRED CHANGES TO WORK PROGRAMS:** N/A

**ATTACHMENTS:**

**STAFF:** Mark A. Olinger, Director, Department of Planning & Development Review  
(804) 646-6305

*DCD O&R No.*

**Board of Commissioners**  
Robley S. Jones, Chairman

Samuel S. Young, Jr.  
Marilyn B. Olds  
Elliott M. Harrigan  
Jonathan Coleman  
LaToya Hawks  
Robert J. Adams  
Heidi Abbott



**Chief Executive Officer**  
T. K. Somanath  
901 Chamberlayne Parkway  
P.O. Box 26887  
Richmond, VA 23261-6887  
804-780-4200  
Fax 804-780-  
TTY: Dial 7-1-1  
www.rrha.com

October 3, 2016

Ms. Selena Cuffee-Glenn  
Chief Administrative Officer  
City of Richmond  
900 E. Broad Street, Room  
Richmond, Virginia 23219

Re: Dove Street Redevelopment – FY 2017 CIP Budget Revision

Dear Ms. Cuffee-Glenn:

This letter is pursuant to an anticipated amendment to the FY 2017 Capital Improvement Program (CIP) budget that will reallocate \$4.4 million from the Dove School project to the Dove Street Redevelopment project. The purpose of this letter is to request approval of a line-item budget that will enable RRHA to access funds to implement the project under the provisions of the 2008 Dove Street Redevelopment Program Cooperation Agreement, a copy of which is attached. The Cooperation Agreement allows the “City’s Director of Economic Development or his/her designee” to approve line-item budgets for funds allocated for the project.

RRHA and its development partner completed construction on Phase I (80 rental units) and Phase II (48 rental units) at the end of March 2014. Future phases have been on hold pending the development of the Dove School, which it now appears, will not be built. With new allocations of funding, RRHA will be able to undertake planning for remaining phases of residential development and a new community center along Dove Street. Accordingly, RRHA requests your approval of the following line-item allocation of the \$4.4 million:

ACTIVITY	FY 2017 BUDGET
Sources (Dove School):	
FY 2017 CIP Allocation	\$4,415,000
Uses (Dove Street Redevelopment):	
Acquisition	
Planning /Design Consultants	\$315,000
Project Administration	\$100,000
Architectural Services	\$100,000
Engineering and Testing	\$250,000
Building Construction	
Building Equipment	
Site Work	\$3,365,000
TOTAL AUTHORIZATION	\$4,415,000

Ms. Selena Cuffee-Glenn  
October 3, 2016  
Page 2

Activities are associated with re-master planning the site to adjust to the elimination of the new school, development of an architectural vision and guidelines, preliminary engineering, testing, project administration, and subdivision infrastructure/site work. Future phases will consist of an estimated 114 single-family homeownership units and 66 mixed-income multifamily units. The desired mix will be determined during master planning.

It is anticipated that the residential development would result in an estimated \$26.5 million in taxable assessed valuation and \$318,000 in annual tax revenue, and would leverage \$4.62 of private and other public investment for each \$1.00 of City funds invested.

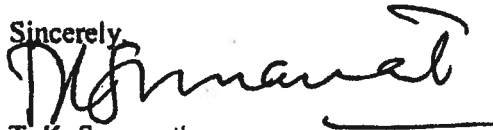
If the requested line-item budget meets with your approval, please sign below:

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Selena Cuffee-Glenn  
Chief Administrative Officer  
City of Richmond

Please return one signed original to me. Thank you for your consideration of this request. Should you have any questions, please call me at 780-4462.

Sincerely,



T. K. Somanath  
Chief Executive Officer

cc: Marcia Davis

Attachment

FIRST AMENDED AND RESTATED  
DOVE STREET REDEVELOPMENT PROGRAM AREA  
IMPLEMENTATION PROGRAM COOPERATION AGREEMENT

THIS FIRST AMENDED AND RESTATED DOVE STREET REDEVELOPMENT PROGRAM AREA IMPLEMENTATION COOPERATION AGREEMENT (“Agreement”) is made as of this \_\_\_\_\_ day of December, 2016, by and between the CITY OF RICHMOND, VIRGINIA, a municipal corporation of the Commonwealth of Virginia (the “City”) and the RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision of the Commonwealth of Virginia (the “Authority”).

RECITALS

WHEREAS, the City and the Authority entered into a City of Richmond 2006-2007 CDBG contract, dated July 1, 2006, for the purposes of demolishing Carrington Gardens/Northridge apartment complex and the Dove Street public housing development which area consists of all parcels of land fronting Dove Street between Richmond-Henrico Turnpike and 1<sup>st</sup> Avenue (the “Project Area”); and

WHEREAS, the City made available to the Authority funds necessary to continue to demolish these structures in the Project Area for neighborhood revitalization purposes (the “Project”); and

WHEREAS, the Authority undertook the Project; and

WHEREAS, the City, by Ordinance No. 2016-058, created a new capital project called the “Highland Grove/Dove Street Redevelopment and Revitalization – Infrastructure Improvements” capital project, the scope of which includes the design and street, sidewalk, alley, water, sewer, and drainage infrastructure improvements needed for the redevelopment of the Dove Street Redevelopment Area identified in the Redevelopment Plan for the Dove Street Redevelopment Area prepared by the Authority and dated June 8, 2006 (“Infrastructure Project”); and

WHEREAS, the City appropriated \$4,415,000 to the Infrastructure Project.

NOW, THEREFORE, in consideration of the benefits to accrue to the City and its citizens from the Infrastructure Project and of the mutual covenants hereinafter set forth, the City and the Authority agree as follows:

1. The City agrees to provide CIP funds to the Authority in the amount of FOUR MILLION FOUR HUNDRED FIFTEEN THOUSAND DOLLARS (\$4,415,000) (“Infrastructure Project Funds”) to allow the Authority to undertake the Project, including, without limitation, the services described in Amended Exhibit B attached hereto, as described in the Amended Approved Budget (as hereinafter defined).



2. The Infrastructure Project Funds shall be utilized by the Authority for the line items set forth in the budget attached hereto as Amended Exhibit A (the "Amended Approved Budget"); provided, however, the Authority shall have the right to transfer funds between line items in the Amended Approved Budget with the prior approval of the City's Chief Administrative Officer or a designee thereof; provided, however, that no Infrastructure Project Funds may be used for acquisition. Amended Exhibit A may be amended, with the prior written approval of the Executive Director of the Authority and the City's Chief Administrative Officer or a designee thereof, to incorporate any additional funds appropriated by City Council. The City and the Authority acknowledge and agree that (i) the Infrastructure Project Funds are the entire amount currently allocated to the Authority for the Infrastructure Project and no further funds are currently available should the actual cost of the Infrastructure Project exceed the Infrastructure Project Funds and (ii) upon expenditure of the Infrastructure Project Funds, the Authority shall have no obligation to continue to implement the Infrastructure Project unless additional funds are made available by the City to the Authority to cover any additional costs of implementing the Infrastructure Project in excess of the Infrastructure Project Funds. The City acknowledges that the Authority does not have another source of funding except as set forth herein.

3. The Infrastructure Project Funds shall be disbursed by the City to the Authority. The City shall pay over to the Authority the Infrastructure Project Funds, without any rights of set-off, recoupment or counterclaim, in accordance with the provisions of this section. The City shall pay the Infrastructure Project Funds to the Authority in full as soon as is practicable after execution of this Agreement, but, in any case, prior the commencement of the Infrastructure Project. Until the Infrastructure Project Funds are received in full by the Authority, the Authority shall have no obligation to proceed with the Infrastructure Project.

4. The Authority shall keep records of its financial transactions for the Infrastructure Project in accordance with generally accepted accounting principles. The City Auditor or a designee thereof may, at any time, audit the financial transactions undertaken by the Authority for the Infrastructure Project. The Authority shall cooperate to assure that the City Auditor or his/her designee are granted reasonable access on a timely basis to all books and records of the Authority necessary to complete such audit, and the Authority shall include appropriate provisions in furtherance of this objective in any contracts entered into by the Authority for the Infrastructure Project.

5. In the instance of any disputes or disagreements regarding any aspect of this Agreement, such disputes or disagreements will be resolved jointly between the City's Chief Administrative Officer and the Chief Executive Officer of the Authority.

6. Either party may terminate this Agreement with good cause shown at any time upon reasonable written notice. The Authority shall return to the City any Infrastructure Project Funds which have not been obligated or expended by the Authority prior to such termination.

7. Neither the City nor the Authority shall discriminate, in carrying out this Agreement, against any employee or applicant because of race, color, religion, sex, or national origin, and the City and the Authority shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to race, color, religion, sex, or national origin. Such action shall include, but not be limited to, employment, promotion, demotion, termination, rates of pay, other compensation and selection for training, including apprenticeship.

8. The Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the laws of the Commonwealth of Virginia.

9. Any notices required to be given under this Agreement shall be sufficient if in writing and sent by first class, registered, or certified mail, return receipt requested; if to the Authority, to Chief Executive Officer, Post Office Box 26887, Richmond, Virginia 23261, or if to the City, to Chief Administrative Officer, City Hall, 900 East Broad Street, 2<sup>nd</sup> Floor, Richmond, Virginia 23219. Either party may change its address for purposes of notice by giving notice to the other in accordance with this paragraph.

10. This Agreement shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the parties hereto, provided, however, that in no event may this Agreement or any of the rights, benefits, duties, or obligations of the parties hereto be assigned, transferred or otherwise disposed of without the prior written consent of the other, which consent neither party shall be obligated to give.

11. It is understood between the parties that no third party rights shall be created by this Agreement.

12. This Agreement may be amended only by mutual consent of the parties and only by a written instrument signed by both parties.

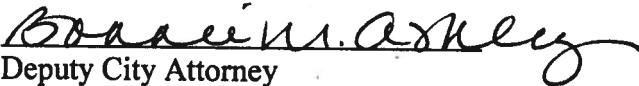
SIGNATURE PAGE FOLLOWS

WITNESS the following signatures.

CITY OF RICHMOND, VIRGINIA,  
a municipal corporation of the  
Commonwealth of Virginia

By: \_\_\_\_\_  
Selena Cuffee-Glenn  
Chief Administrative Officer

Approved as to Form:

  
Deputy City Attorney

RICHMOND REDEVELOPMENT  
AND HOUSING AUTHORITY, a  
political subdivision of the  
Commonwealth of Virginia

By: \_\_\_\_\_  
TK Somanath  
Chief Executive Officer

AMENDED  
EXHIBIT A  
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY  
DOVE STREET PROJECT AREA  
PROGRAM BUDGET 2008-2009

ACTIVITY	PRIOR AUTHORIZATION	2008-2009 AUTHORIZATION	TOTAL AUTHORIZATION
Maintenance/Demolition	NA	\$500,000	\$500,000
TOTAL AUTHORIZATION	NA	\$500,000	\$500,000

RRHA Staff associated with this project will include:  
Senior Project Manager, Real Estate Manager, and Support Staff Specialist

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY  
DOVE STREET PROJECT AREA  
PROGRAM BUDGET FY 2017

ACTIVITY	FY 2017 BUDGET
Sources (Dove School)	
FY 17 CIP Allocation	\$4,415,000
Uses (Dove Street Redevelopment)	
Acquisition	Unallowable Expenditure
Planning/Design Consultants	\$400,000
Project Administration	\$300,000
Architectural Services	\$100,000
Engineering and Testing	\$250,000
Building Construction	
Building Equipment	
Site Work	\$3,365,000
TOTAL AUTHORIZATION	\$4,415,000

AMENDED  
EXHIBIT B

DOVE STREET REDEVELOPMENT PROGRAM  
AREA IMPLEMENTATION PROGRAM  
CO-OPERATION AGREEMENT  
FISCAL YEAR 2008

SCOPE OF SERVICES

RRHA will provide the following services pursuant to this Dove Street Redevelopment Program Area Implementation Cooperation Agreement – specifically targeting Carrington Gardens/Northridge apartment complex.

- *Manage and implement redevelopment activities for the Dove Street area*
- *Demolition of sixteen (16) three (3) story building units totaling 216 units*
- *Property Maintenance/Insurance*

Project Contacts

City of Richmond Contact: Douglas Dunlap

RRHA Contact: Desi L. Wynter, Senior Project Manager

SCOPE OF SERVICES FISCAL YEAR 2017

Implementation of capital improvement project including the street, sidewalk, alley, water, sewer, and drainage infrastructure improvements needed for the redevelopment of the Dove Street Redevelopment Area identified in the Redevelopment Plan for the Dove Street Redevelopment Area prepared by the Richmond Redevelopment and Housing Authority dated June 8, 2006.