

INTRODUCED: March 28, 2016

AN ORDINANCE No. 2016-111

To authorize the Chief Administrative Officer to accept funds in the amount of \$50,000 from the Governor’s Agriculture and Forestry Industries Development Fund and to appropriate the increase to the Fiscal Year 2015-2016 General Fund Budget by increasing estimated revenues and the amount appropriated to a new line item in the Non-Departmental agency called the “Blue Bee Cider – AFID Grant” line item for the purpose of providing funds to the Economic Development Authority for a grant to Blue Bee Cider, LLC, pursuant to a performance agreement approved by the City Council.

Patron – Mayor Jones

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: APR 25 2016 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer is authorized to accept funds in the amount of \$50,000 from the Governor’s Agriculture and Forestry Industries Development Fund for the purpose of providing funds to the Economic Development Authority for a grant to Blue Bee Cider, LLC, pursuant to a performance agreement approved by the City Council.

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: APR 25 2016 REJECTED: _____ STRICKEN: _____

§ 2. That the funds received are hereby appropriated to the General Fund Budget for the fiscal year commencing July 1, 2015, and ending June 30, 2016, by increasing estimated revenues by \$50,000, increasing the amount appropriated for expenditures by \$50,000 and allotting to a new line item in the Non-Departmental agency called the “Blue Bee Cider – AFID Grant” line item the sum of \$50,000 for the purpose of providing funds to the Economic Development Authority for a grant to Blue Bee Cider, LLC, pursuant to a performance agreement approved by the City Council.

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



CITY OF RICHMOND RECEIVED

INTRACITY CORRESPONDENCE

MAR 16 2016

O&R REQUEST

OFFICE OF CITY ATTORNEY

DATE: March 1, 2016

EDITION


4-4853
O & R REQUEST


TO: The Honorable Members of City Council


MAR 7 2016

THROUGH: Dwight C. Jones, Mayor 

Chief Administration Office
City of Richmond

THROUGH: Selena Cuffee-Glenn, Chief Administrative Officer 

THROUGH: Leonora Reid, Deputy Chief Administrative Officer, Finance & Administration 

THROUGH: Jay Brown, Director, Budget and Strategic Planning 

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

FROM: Douglas Dunlap, Interim Director, Department of Economic & Community Development 

RE: Acceptance and Appropriation of \$50,000 grant from the Governor's Agricultural & Forestry Industries Development (AFID) Fund

ORD. OR RES. No. _____

PURPOSE: To accept \$50,000 from the Governor's Agricultural & Forestry Industries Development (AFID) Fund and appropriate the same amount to a new Non-Departmental project called Blue Bee Cider – AFID Grant," for the purpose of accessing a grant from the Commonwealth of Virginia as a required matching incentive to Blue Bee Cider, LLC for their expansion efforts in the city of Richmond.

REASON: The Commonwealth of Virginia has approved a grant in the amount of \$50,000 from the Governor's Agricultural & Forestry Industries Development Fund to assist Blue Bee Cider, LLC., in its growth within the City of Richmond, Virginia. In accordance with the performance agreement, the funds will be transferred to the City, which in turn, will transfer the funds to the City of Richmond Economic Development Authority (EDA). The EDA will disburse these funds to Blue Bee Cider, LLC., for the purpose of advancing the construction of their new Richmond facility, as outlined in the approved cooperation agreement.

RECOMMENDATION: Approval is recommended by the City Administration.

BACKGROUND: The City of Richmond has been awarded a grant of and expects to receive \$50,000 from the Governor's Agriculture & Forestry Industries Development Fund (an "AFID Grant") through the Virginia Department of Agriculture and Consumer Services ("VDACS") for the purpose of inducing the Company to construct and improve an agriculture and/or forestry processing/value-added facility using Virginia-grown products in the Locality (the "Facility"), thereby making a significant Capital Investment, as hereinafter defined, creating a significant number of New Jobs and FTEs, as hereinafter defined; and purchasing a significant amount of Virginia-grown agricultural and forestal products, as hereinafter defined.

In order to receive the grant, the locality must provide a matching grant of \$50,000. To meet this requirement, the City of Richmond will match the grant with dollars from local Enterprise Zone and Tax Abatement programs already to be utilized in the Blue Bee Cider project.

The construction and operation of the Facility will entail a capital expenditure of approximately \$1,143,000, of which approximately \$293,000 will be invested in machinery and equipment and approximately \$850,000 will be invested to improve the site and building

The construction and operation of the Facility will further entail the creation of 4 New Time Job Equivalents (FTEs) at the Facility. The construction and operation of the Facility will further lead to the purchase of Virginia-grown agricultural and forestal products in the following amount: \$257,700 or 21,821 bushels of apples over the performance period.

FISCAL IMPACT / COST: None.

FISCAL IMPLICATIONS: None.

BUDGET AMENDMENT NECESSARY: Yes

REVENUE TO CITY: None.

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: March 14, 2016

CITY COUNCIL PUBLIC HEARING DATE: March 28, 2016

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: The Economic Development Authority must approve the proposed Performance Agreement.

AFFECTED AGENCIES: Chief Administrative Officer; City Attorney; Economic and Community Development.

RELATIONSHIP TO EXISTING ORD. OR RES.:

REQUIRED CHANGES TO WORK PROGRAM(S): City employees will be assigned to provide the necessary assistance to the Economic Development Authority.

ATTACHMENTS: Performance Agreement

STAFF: Lee Downey, Director, Economic & Community Development, 646-5633
Jane Ferrara, Deputy Director, Economic & Community Development, 646-5633
Selena Cuffee-Glenn, Chief Administrative Officer, 646-7978.

From: Versen, Stephen (VDACS) [mailto:Stephen.Versen@vdacs.virginia.gov]
Sent: Tuesday, March 22, 2016 1:54 PM
To: Roberts, Justine E. - ECD
Cc: Taylor, Chauntele (VDACS)
Subject: RE: O&R Request to Accept \$50,000 in Grant Funds for Blue Bee

Justine – we do not issue a grant award letter. Could this email, confirming that we awarded an AFID grant of \$50,000 to the City of Richmond to assist with locating the expansion by Blue Bee Cider, be sufficient?

If not, is there a template or example letter you would like us to use to draft you such a letter?

Stephen Versen
AFID Fund Coordinator
Agriculture and Forestry Development Services

Virginia Department of Agriculture and Consumer Services
102 Governor St.
Richmond, VA 23219

Ph: (804) 786-6911
Cell: (804) 382-4023
Stephen.Versen@vdacs.virginia.gov
<http://www.vdacs.virginia.gov/agribusiness>