

INTRODUCED: April 10, 2017

AN ORDINANCE No. 2017-082

To approve the Work Plan and Budget for the fiscal year ending Jun. 30, 2018, for the provision of services in the Downtown Richmond Special Service and Assessment Districts.

Patron – President Hilbert

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: APR 24 2017 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Work Plan and Budget for the fiscal year ending June 30, 2018, 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 22 2017 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 Chris Hilbert, 3rd District Council member
Haskell Brown, Deputy City Attorney
Meghan Brown, Deputy Council Chief of Staff *MAB*
Lisa Townes, 3rd District Liaison

RECEIVED

APR 05 2017

OFFICE OF CITY ATTORNEY

DATE April 4, 2017

PAGE/s 1 of 2

TITLE: Approval of Annual Budget and Work Plan FY 17-18 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 Chris Hilbert

SUGGESTED STANDING COMMITTEE

Finance Committee

ORDINANCE/RESOLUTION SUMMARY

Ordinance to approve the Work Plan and Budget for the fiscal year ending June 30, 2018 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, 2018, for the provision of services in the Downtown Richmond Special Service and Assessment Districts. Attached is the FY18 budget and Work Plan.

Venture Richmond is under contract with the City to manage the Downtown Special Assessment Districts and submits an annual Work Plan and Budget to City Council. Upon approval of this plan, by ordinance, Venture Richmond will implement programs for the Service Districts, through June 30, 2018. Venture Richmond provides management of the Clean and Safe Program, provides marketing services; produces various downtown events; is the property manager for the Riverfront Overlay District; and provides a variety

of services including 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 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. The City has previously also provided funding of \$490,248 for the support for the riverfront, festivals and events, marketing and promotion (\$490,248); for a total of \$1,190,248.

The Mayor's proposed FY18 budget includes \$650,000 in Non-Departmental funds for Venture Richmond.

Venture Richmond also receives special funds from the following sources for FY18. The Downtown Special Service District programs are funded by property owners in the General District (\$1,455,970) and the Riverfront Overlay District (\$387,800); a total of \$1,843,770 from the downtown Service District, which Venture Richmond is under contract to manage.

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 2018 proposed and adopted budgets. The budget submitted currently does not align with the funding that is proposed in the Mayor's FY18 budget in Non-Departmental for Venture Richmond.

Attachment/s Yes No

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

Venture Richmond - Service Districts
 Consolidated Budget
 Budget FY 2017-2018

	FY 17-18 Budget				
	Consolidated Service District Total	General District	Riverfront	Shockoe Slip	Broad/Grace
Projected Income (July 1, 2017-June 30, 2018)					
Interest Income - Service Districts	442	442			
Transfer from Fund Balance	49,640				
Assessed Funds (General District)	1,455,970	1,455,970		24,262	25,378
Assessed Funds (City account balance/carryover)	0				
Clean & Safe - City Share	700,000	700,000			
Assessed Funds (Riverfront)	387,800		387,800		
Riverfront-Other Revenue (earned and GD support)	408,870		408,870		
Projected Total Income - FY 2017-2018	3,002,522	2,156,412	796,470	24,262	25,378
TOTAL Income					
	3,002,522	2,156,412	796,470	24,262	25,378
Expenses (July 1, 2017-June 30, 2018)					
GD support to Riverfront	194,870	194,870			
Audit	5,000	5,000			
Clean & Safe Landscaping & Beautification	128,840	128,840			
Clean & Safe Contract Services	886,000	886,000			
Depreciation - Clean & Safe Equipment	48,734	48,734			**
Insurance	6,330	6,330			
Bank Fees	-	-			
Downtown Marketing	293,948	293,948			
Legal	3,000	3,000			
Neighborhood Programs	49,640			24,262	25,378
New Initiative	-				
Program Management	264,890	264,890			
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)	796,470		796,470		
TOTAL EXPENSES	3,002,522	2,156,412	796,470	24,262	25,378
NET INCOME - June 30, 2018	0	0	0	0	0

Notes to FY 2017-2018 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

Venture Richmond Special Assessment District Management

Work Plan and Budget FY 2017-2018

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 2017-2018 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 two.

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 beautify the Downtown 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 Broad St planters which are being relocated for BRT, some have been placed around the Coliseum. Venture Richmond also oversees and maintains the Grace Street Beautification program and the 3rd and 5th Street Gateway Beautification Program developed in partnership with Maymont and the City. Venture Richmond contracts with KleaneKare, a minority owned business, to provide the ongoing watering and maintenance for both beautification projects. Additional beautification projects overseen, funded and maintained 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 enhance the level of maintenance, landscaping, and improvements 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;
- Maintain and enhance the "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 Cruises

As a condition to the continuation of the Agreement for the Provision of Services in the Downtown Richmond Special Service and Assessment Districts dated December 31, 1996, as modified, amended and assigned (the "Services Agreement") and to secure Venture Richmond's performance under the Services Agreement, Venture Richmond granted to the City (as defined in the Services Agreement) a lien on substantially all of the assets of Venture Richmond.