



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

### Finance & Economic Development Standing Committee

June 20, 2024

### Legislative Summary

**Previous Meeting:** May 16, 2024

**Next Meeting:** July 18, 2024

#### Paper(s) for Consideration

**1. ORD. 2024-153**

**Patron:** Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept a donation of services in the form of construction materials and labor valued at approximately \$100,000.00 from the Friends of The James River Park and, in connection therewith, to execute a Byrd Park Pump House, Right-of-Entry Agreement between the City of Richmond and the Friends of The James River Park, all for the purpose of funding the repair and restoration of the Byrd Park Pump House.

#### **Key Points:**

- A.** Provides for the City of Richmond to accept proceeds of a grant awarded to the Friends of Pump House Park specifically to renovate doors and windows in the Pump House.
- B.** Friends of the James River Park are the fiscal agent to receive the funds for which the City will execute a Byrd Park Pump House, Right of Entry Agreement between the City of Richmond and the Friends of The James River Park for acceptance of the gift.

Fiscal Impact:  None.  Yes. Amends the FY2025 Special Fund

**2. ORD. 2024-145**

**Patron:** Mayor Stoney

To amend Ord. No. 2022-284, adopted Nov. 14, 2022, as previously amended by Ord. No. 2023- 258, adopted Oct. 10, 2023, which accepted the second tranche of American Rescue Plan Act funds and appropriated such funds to the General Fund Budget and Capital Budget for certain agencies and contingencies, by transferring funds from certain previously identified projects as part of the city's American Rescue Plan Act Spend Plan and transferring such funds to existing or new projects



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

### Key Points:

- A. The legislation will adjust the spend plan associated with the second tranche of ARPA funds received by the City of Richmond. The adjustments impact both the general fund and capital improvement plan.
- B. General Fund – Decreases First Responders Hazard Pay project in the amount of \$374,020.78 and CDFI Revolving Loan Fund in the amount of \$3,000,000. The adjustment results in creating the Non-Departmental entity entitled Thrive Birth to Five Foundation (Child Care Education Trust Fund) in the amount of \$500,000. This transaction results a balance of \$2,874,020.78 transfer to the Capital Improvement Plan.
- C. The transfer of \$2,874,020.78 to the Capital Improvement Plan shall support the "Parks Improvement Project" and "Solar Fund Project". In addition, \$1,222,280 shall transfer from the TB Smith ARPA Project to the Luck's Field ARPA Project.

Fiscal Impact:  None  Yes

### 3. ORD. 2024-159

**Patron:** Mayor Stoney

To amend Ord. No. 2023-071, adopted May 8, 2023, which adopted the Fiscal Year 2023-2024 General Fund Budget and made appropriations pursuant thereto, to (i) create certain new line items in the Non-Departmental agency, (ii) transfer \$199,200.00 from the Non-Departmental agency Reserve for Heart of Richmond Awards, and (iii) appropriate such \$199,200.00 to the new line items in the Non-Departmental agency, all for the purpose of providing Heart of Richmond Awards grant funds to certain entities.

### Key Points:

- A. This funding is intended to provide grant awards to non-profit organizations who embody the heart and compassion of our City. This funding particularly supports:
  - 1. Small, new, and grassroots organizations whose organizational capacity, structure, or function may make them ineligible or imperfect fits for the requirements of traditional non-departmental grant funding.
  - 2. Organizations with critical missions and significant impact that don't fit neatly into the strategic focus areas of the Non-Departmental charitable grant program.



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

3. Organizations well positioned to leverage modest one-time funding from the City of Richmond to gain additional funding from other non-City sources.

B. Each entity shall receive \$16,600.

Fiscal Impact:  None  Yes.

#### 4. ORD. 2024-162

**Patron:** Mayor Stoney

To amend Ord. No. 2023-071, adopted May 8, 2023, which adopted the Fiscal Year 2023-2024 General Fund Budget and made appropriations pursuant thereto, by (i) increasing revenues from estimated local sales and use, consumer utility, and admissions taxes and from permits and license fees by \$5,489,264.00, (ii) reducing total appropriations by \$8,069,133.00, and increasing total appropriations by \$13,558,397.00, (iii) transferring funds from various agencies and non-departmental programs and appropriating the increased revenues and transferred funds to various agencies and non-departmental programs, (iv) providing for certain assignments of fund balance for the Employee Compensation Reserve Fund, and (v) requiring that certain funds appropriated to the Department of Housing and Community Development for the Fiscal Year 2023-2024 shall be expended for affordable housing efforts.

#### Key Points:

- A. The legislation will adjust the spend plan associated with the second tranche of ARPA funds received by the City of Richmond. The adjustments impact both the general fund and capital improvement plan.
- B. General Fund – Decreases First Responders Hazard Pay project in the amount of \$374,020.78 and CDFI Revolving Loan Fund in the amount of \$3,000,000. The adjustment results in creating the Non-Departmental entity entitled Thrive Birth to Five Foundation (Child Care Education Trust Fund) in the amount of \$500,000. This transaction results a balance of \$2,874,020.78 transfer to the Capital Improvement Plan.
- C. The transfer of \$2,874,020.78 to the Capital Improvement Plan shall support the "Parks Improvement Project" and "Solar Fund Project". In addition, \$1,222,280 shall transfer from the TB Smith ARPA Project to the Luck's Field ARPA Project.

Fiscal Impact:  None  Yes



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

### 5. ORD. 2024-163

**Patron:** Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Statutory Partnership Agreement between the City of Richmond and Groundwork RVA, Inc., for the purpose of applying for the United States Environmental Protection Agency's Community Change Grant.

#### Key Points:

- A. The agreement will allow the City to apply for the Environmental Protection Agency's (EPA) Community Change Grant (CCG) as the Lead Applicant with Groundwork RVA as the Statutory Partner, in addition further the City's efforts associated with climate change.

Fiscal Impact:  None  Yes

### 6. ORD. 2024-164

**Patron:** Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Grant Agreement between the City of Richmond, Walmsley Gardens, LLC, and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of an affordable residential development located at 4824, 4838, 4850, 4870, and 4890 Walmsley Boulevard. (9 th District)

#### Key Points:

- A. In 2022, the Virginia General Assembly approved HB1194, which amended Ch. 49, Title 15.2 of the Code of Virginia for the purpose of authorizing City of Richmond Page 3 Printed on 6/7/2024 Master Continued (Admin-2024-0591) industrial/economic development authorities "to make grants associated with the construction of affordable housing to promote safe and affordable housing in the Commonwealth."
- B. Grant payments will be solely limited to incremental real estate tax revenues generated by the Project and received by the City and such payments will be conditioned upon the Recipients' completion of Project construction and continued maintenance thereafter.

Fiscal Impact:  None  Yes No direct impact. No direct fiscal impact to the baseline of current real estate tax revenues received by the City for such properties as the grant payments are solely limited to incremental tax revenues above and beyond such respective baselines



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

### 7. ORD. 2024-165

**Patron:** Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Grant Agreement between the City of Richmond, Walmsley Senior, LLC, and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of an affordable residential development located at 4824, 4838, 4850, 4870, and 4890 Walmsley Boulevard. (9th District)

#### Key Points:

- A. In 2022, the Virginia General Assembly approved HB1194, which amended Ch. 49, Title 15.2 of the Code of Virginia for the purpose of authorizing City of Richmond Page 3 Printed on 6/7/2024 Master Continued (Admin-2024-0591) industrial/economic development authorities "to make grants associated with the construction of affordable housing to promote safe and affordable housing in the Commonwealth."
- B. Grant payments will be solely limited to incremental real estate tax revenues generated by the Project and received by the City and such payments will be conditioned upon the Recipients' completion of Project construction and continued maintenance thereafter.

Fiscal Impact:  None  Yes No direct impact. No direct fiscal impact to the baseline of current real estate tax revenues received by the City for such properties as the grant payments are solely limited to incremental tax revenues above and beyond such respective baselines

### 8. ORD. 2024-166

**Patron:** Mayor Stoney

To amend and reordain City Code §§ 21-44 concerning design-build and construction management contracts, 21-67 concerning competitive negotiation for goods, nonprofessional services, insurance, and construction, and 21-73 concerning job order contracting, all for the purpose of reflecting amendments to state law that Va. Code §2.2-4343(A)(12) requires the City to follow.

#### Key Points:

- A. The legislation amends city code sections 21-44, 21-67 and 21-73 to make its procurement laws pursuant to state law.



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

- B.** Pursuant to Va. Code § 2.2-4343(A)(10), the City has “opted out” of the VPPA, by adopting alternative policies and procedures in the form of Chapter 21 (“Public Procurement”) of the Code of the City of Richmond. However, pursuant to Va. Code § 2.2-4343(A)(12), the City cannot opt out of certain, mandatory, provisions of the VPPA which still apply to the City.
1. Section 21-44 of the City Code is amended to require the adoption of a resolution approving use of the construction management or design-build method for a project prior to the City's issuance of a Request for Qualifications for that project.
  2. Section 21-67 of the City Code is amended to (i) allow a public body to require that an offeror states in a proposal any exception to any liability provisions contained in a Request for Proposal for information technology, (ii) add a requirement that an offeror states any exception to any contractual terms or conditions in writing at the time of responding to such Request for Proposal, if so requested by the City, and (iii) prohibit the City from considering any such exception when scoring or evaluating offers for selection for negotiations.
  3. Section 21-73 of the City Code is amended to (i) increase the maximum spend for all jobs performed in a one-year job order contract term from \$6,000,000 to \$10,000,000, (ii) increase the maximum spend for any individual job order from \$500,000 to \$1,000,000, and (iii) increase the number of additional one-year terms for which job order contracts can be renewed from two additional terms to three.

Fiscal Impact:  None  Yes

### 9. ORD. 2024-167

**Patron:** Mayor Stoney

To amend and reordain City Code § 12-22, concerning the authority to accept payment by commercially acceptable means and service charge, to permit City agencies the option to remove currently mandated services charges for the payment of any amount due for taxes, interest, penalties, fees, fines, or other charges for the public.

#### Key Points:

- A.** The legislation will provide the authority to Authority to accept payment by commercially acceptable means; service charge. to permit City agencies the option to remove currently mandated services charges for the payment of any



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

amount due for taxes, interest, penalties, fees, fines, or other charges for the public.

- B. The Department of Finance will update all online payment information to reflect changes implemented as a result in a phased approach should Council approve the proposed ordinance and additionally provide inserts to regular billings announcing the change.

Fiscal Impact:  None  Yes

### 10. ORD. 2024-168

**Patron:** Mayor Stoney, Dr. Newbille

To amend and reordain City Code §§ 12-241, concerning definitions for fund balances, 12-242, concerning the disposition of calculated general fund surplus and reporting, 12-261, concerning the “Rainy day” fund, 12-262, concerning the unassigned fund balance, 12-263, concerning the Budget and Revenue Stabilization Contingency Reserve, and 12-265, concerning special purpose reserves, for the purpose of changing the minimum percentages for the maintenance of the “rainy day” fund and the unassigned fund balance, modifying the reporting requirements for the General fund balance, modifying the date by which assignments of special purpose reserves must be made, and changing the name of the “rainy day” fund to the “Downturn Reserve Fund” and the “Budget and Revenue Stabilization Contingency Reserve” to the “Contingency Reserve.”

#### Key Points:

- A. The legislation will make nomenclature changes to following funds:
  1. “Rainy day” fund becomes the Downturn Reserve Fund
  2. Budget and Revenue Stabilization Contingency Reserve Fund becomes, simply, the Contingency Reserve Fund
- B. Surplus funds are allocated with 50 percent going to the rainy-day fund (a combination of the unassigned fund balance and the Budget and Revenue Stabilization Contingency Reserve) and the remainder being split with 40 percent to the Capital Maintenance Reserve and the remaining 10 percent to special purpose reserves.
- C. This legislation does not seek to reapportion this existing allocation structure, but rather to rename certain funds, amend targeted funding levels of the combined rainy-day fund, the timing of surplus reporting by the Mayor, and the resulting timing of City Council’s resolution for allocation of special purpose reserves



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

Fiscal Impact:  None  Yes

### 11. RES. 2024-R018

**Patron:** Mayor Stoney

To provide that the Department of Finance may enter into an agreement with any taxpayer who has been assessed with omitted taxes, including penalties and interest with respect to such taxes for the payment of the taxes, penalties, and interest so assessed over a period that is reasonable under the circumstances but that in no event shall exceed 72 months.

#### Key Points:

- A.** In early 2024, the Department of Finance amended their Payment Arrangement Policy to reflect the changes of HB 2110, which increased the maximum length of agreements for tax sale arrangements under Code of Virginia § 58.1-3965. C. from 60 to 72 months. This arrangement also includes the following items:
1. No required down payment for vehicle personal property and real estate taxes;
  2. A reduction to ten percent down payment requirement for other tax types;
  3. The ability to miss up to one payment without default

Fiscal Impact:  None  Yes

### 12. RES. 2024-R019

**Patron:** Mayor Stoney

To express support for the request by the County of Henrico that the Virginia Department of Housing and Community Development approve its application to amend its portion of Zone 28A; and to authorize the Chief Administrative Officer to execute the Joint Amendment Agreement indicating the City's support for the County's application.

#### Key Points:

- A.** The legislation will allow the execute the Joint Amendment Agreement indicating the City's support for the County's application.





# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

- B.** The County established a zone area (28B) contiguous to the City's Zone 28A. Both the County and the City can independently have 3,840 acres in their respective zone areas.
- C.** Acreage cannot be shared or exchanged between the two localities. The requested resolution supports the County in its request to DHCD to amend its portion of the zone.

Fiscal Impact:  None  Yes

### Committee Follow-up

#### **Fiscal Activities Calendar Items for June 2024:**

- Monthly Reporting: HR Vacancies and Over Time Report
- Monthly Reporting: Financial Synopses

#### **Requests from Prior Standing Committee Meeting – May 2024:**

None

#### **Proposed Timeline for submittal of legislation relating to Richmond City Code – Article V-Fund Balance**

Proposed Timeline	City Council Meeting	Finance & Economic Development Standing Committee Meeting
	Introduce – June 10, 2024	June 20, 2024
Present to Council for Vote	June 24, 2024	