

INTRODUCED: February 23, 2015

AN ORDINANCE No. 2015-46-48

To grant an option to the Richmond Redevelopment and Housing Authority to acquire by donation from the City City-owned real estate located at 1501 North 31st Street and 1611 North 31st Street for the purpose of constructing and developing an affordable housing development financed in part with an allocation of low-income housing tax credits provided through the Virginia Housing Development Authority.

Patron – Mayor Jones

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAR 2 2015 AT 6 P.M.

WHEREAS, the School Board of the City of Richmond has delivered a quitclaim deed transferring title to the property known as Armstrong High School, located at 1611 North 31st Street and identified as Tax Parcel No. E000-3312/006 in the 2015 records of the City Assessor to the City of Richmond pursuant to section 22.1-129(A) of the Code of Virginia (1950), as amended;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

AYES: 8 NOES: 0 ABSTAIN: 1

ADOPTED: MAR 2 2015 REJECTED: STRICKEN:

§ 1. That properties owned by the City of Richmond located at 1501 North 31st Street and 1611 North 31st Street, with Tax Parcel Nos. E000-3312/005 and E000-3312/006, respectively, in the 2015 records of the City Assessor, hereinafter referred to as the “Properties,” are hereby declared surplus real estate.

§ 2. That, notwithstanding any part of the provisions of section 26-86 of the Code of the City of Richmond (2004), as amended, to the contrary, the City of Richmond hereby grants an option to the Richmond Redevelopment and Housing Authority to acquire by donation from the City the Properties for the purpose of constructing and developing an affordable housing development financed in part with an allocation of low-income housing tax credits provided through the Virginia Housing Development Authority.

§ 3. That the option granted pursuant to section 2 of this ordinance shall be conditioned on the following:

(a) The option shall expire at 5:00 p.m. on December 31, 2016, if not exercised in writing by the Richmond Redevelopment and Housing Authority prior to that time; and

(b) The option shall terminate without the necessity for any notice upon the first to occur of the following:

(1) The redevelopment project described in section 2 of this ordinance fails to obtain a reservation of low-income housing tax credits from the Virginia Housing Development Authority; or

(2) The Richmond Redevelopment and Housing Authority notifies the City in writing that the Richmond Redevelopment and Housing Authority has determined that the Richmond Redevelopment and Housing Authority will not exercise the option.

§ 4. That, in the event that the Richmond Redevelopment and Housing Authority properly exercises the option granted pursuant to section 2 of this ordinance, the Properties are directed to be conveyed to the Richmond Redevelopment and Housing Authority as a donation for the purpose of constructing and developing an affordable housing development financed in part with an allocation of low-income housing tax credits provided through the Virginia Housing Development Authority in accordance with any applicable provisions of Chapter 26 of the Code of the City of Richmond (2004), as amended, the Charter of the City of Richmond (2010), as amended, the Code of Virginia (1950), as amended, and the Constitution of Virginia.

§ 5. That, notwithstanding any part of the provisions of section 26-86 of the Code of the City of Richmond (2004), as amended, to the contrary, the Chief Administrative Officer is hereby authorized to execute, on behalf of the City, the option agreement, the deed or deeds and such other documents, all of which must first be approved as to form by the City Attorney, as may be necessary to consummate the granting of the option for which section 2 of this ordinance provides and any conveyance of the Properties for which section 4 of this ordinance provides.

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



CITY OF RICHMOND
INTRACITY CORRESPONDENCE

O & R REQUEST

FEB 23 2015

Chief Administration Office
City of Richmond

O&R REQUEST

DATE: February 23, 2015

TO: THE HONORABLE MEMBERS OF CITY COUNCIL

THROUGH: DWIGHT C. JONES, MAYOR

THROUGH: CHRISTOPHER L. BESCHLER, INTERIM CHIEF ADMINISTRATIVE OFFICER

RE: To authorize the Chief Administrative Officer to grant an option to Richmond Redevelopment and Housing Authority to acquire by donation City-owned properties located at 1611 N. 31st Street and 1501 N. 31st Street

RECEIVED FEB 23 2015

OFFICE OF CITY ATTORNEY

ORD. OR RES. No. _____

PURPOSE: TO DIRECT THE CHIEF ADMINISTRATIVE OFFICER TO GRANT AN OPTION TO THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY TO ACQUIRE BY DONATION FROM THE CITY THE PROPERTIES LOCATED AT 1611 N. 31ST STREET (E0003312006) AND 1501 N. 31ST STREET (E0003312005) FOR THE PURPOSE OF CONSTRUCTING AND DEVELOPING AN AFFORDABLE HOUSING DEVELOPMENT FINANCED IN PART WITH AN ALLOCATION OF LOW INCOME HOUSING TAX CREDITS PROVIDED BY THE VIRGINIA HOUSING DEVELOPMENT AUTHORITY UPON CERTAIN TERMS AND CONDITIONS.

REASON: The property located at 1611 N. 31st Street was formerly held in trust by the City for the benefit of the Richmond School Board (the "School Board"). On May 12, 2014 Council approved Ordinance #2014-100-74 authorizing the Chief Administrative Officer to accept a quitclaim deed from the School Board for recording and conveyance of the former school property located at 1611 N. 31st Street. The City has received such quitclaim deed and now desires to grant an option with respect to the two (2) adjacent subject parcels located at 1611 N. 31st Street and 1501 N 31st Street to Richmond Redevelopment and Housing Authority ("RRHA") for the purpose of neighborhood revitalization and redevelopment of the parcels as a mixed-income neighborhood financed in part with an allocation of low income housing tax credits provided by the Virginia Housing Development Authority ("VHDA"). The two (2) subject parcels would be developed in conformance with the preliminary Community Unit Plan approved by Council on February 9, 2015 in Ordinance No. 2015-5-30, and the option to RRHA contemplated

O & R Request

contemplated herein is a threshold requirement for VHDA application. The conveyance to RRHA contemplated by the option would only occur upon the following certain terms and conditions:

- 1) The option shall expiration at 5:00 pm on December 31, 2016; and
- 2) The option and the rights of RRHA will automatically and immediately terminate without notice on the earlier to occur of (a) if the redevelopment project fails to obtain a reservation of tax credits from VHDA, (b) the date upon which RRHA notifies City in writing that RRHA has determined it will not exercise the option, or if RRHA does not exercise the option in accordance with its terms on or before the option's expiration date above.

The building on the 1611 N. 31st Street parcel was formerly operated by the School Board as the old Armstrong High School, and has been vacant for a number of years. On June 16, 2005, the School Board approved the attached Resolution # IA04-05-80, conveying management and control of the old Armstrong parcel to the City for disposition. The former school building is vacant and the remainder of the property is solely used for outdoor recreation.

The City-owned 1501 N. 31st Street parcel adjoins the Armstrong High School site and has solely been used for outdoor recreation.

As part of the City's East End transformation to improve the quality of life for local residents, de-concentrate poverty, and stimulate private investment in the East End of Richmond, RRHA has partnered with a master developer (the "Master Developer") to redevelop the severely distressed Creighton Court RRHA public housing complex. This multi-year, multi-phase project will focus on the construction of new residences in a mixed-use, mixed-income community with retail, commercial, educational and recreational amenities. The parcels located at 1611 N. 31st Street and 1501 N. 31st Street are the critical first development step in providing an opportunity to phase the redevelopment of the Creighton Court site and will accommodate a portion of the federally mandated one-to-one replacement of public housing. The VHDA application for low income housing tax credits to be allocated by VHDA for this calendar year is due March 6, 2015.

RECOMMENDATION: The City Administration, including the Department of Economic Development and Community Development, recommends approval.

BACKGROUND: The 1611 N. 31st Street and 1501 N. 31st Street parcels are adjacent to Oakwood Cemetery and are located just south of the Creighton Court RRHA housing development. According to tax records, the 1611 N. 31st Street site consists of approximately 11.6 acres and adjoins the 1501 N. 31st Street site which consists of approximately 9.69 acres. These two parcels total approximately 21.29 acres and will serve as a site for development of a portion of the replacement housing required with the redevelopment of the Creighton Court site. These two parcels also provide much needed property necessary to implement the first phase of the Creighton Court redevelopment. On June 16, 2005, the School Board adopted Resolution # IA04-05-80,

O & R Request

through which it declared surplus and conveyed management and control of the 1611 N. 31st Street parcel to the City for disposition. On May 12, 2014 City Council approved Ordinance #2014-100-74 to accept a deed from the School Board conveying 1611 North 31st Street to the City and to authorize the Chief Administrative Officer to act on behalf of the City in executing such deed. The Chief Administrative Officer has received such quitclaim deed, which was further authorized by the School Board pursuant a resolution adopted October 22, 2014

FISCAL IMPACT/COST TO CITY: The City will continue to maintain the properties until they are transferred to RRHA for redevelopment pursuant to the option contemplated herein. The City intends to maintain the properties at its current funding level of approximately \$100,000 per year.

REVENUE TO CITY: Once the properties are redeveloped with the proposed mixed income use, the properties will become taxable real estate on the City's real estate tax rolls.

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: February 23, 2015

CITY COUNCIL PUBLIC HEARING DATE: March 2, 2015 (Special Meeting)

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: None

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: City Planning Commission, March 2, 2015

AFFECTED AGENCIES: Public Utilities, Planning and Development Review, Finance, Budget, Public Works, Parks Recreation and Community Facilities, Economic and Community Development

RELATIONSHIP TO EXISTING ORD. OR RES.: Ordinance #2014-100-74

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS:

School Board Resolution # IA04-05-80 dated June 16, 2005

School Board Resolution dated October 22, 2014

Ordinance #2014-100-74 approved on May 12, 2014

STAFF: Lee Downey, Economic Development and Planning 646-7646

Doug Dunlap, Economic & Community Development 646-6822

O & R Request

Denise Lawus, Economic & Community Development 646-3975

Paul McClellan, Economic & Community Development 646-3061

ARMSTRONG BLDG.
PROPERTY TRANSFER.

8L
IA04-05-80

RESOLUTION

WHEREAS, certain real property, bounded on the north by the south line of 31st Street and the east, west and south by Oakwood Cemetery (the "Property") was obtained in 1946 by the City of Richmond, Virginia (the "City") through condemnation for use for municipal purposes; and

WHEREAS, the Property, including the building and the surrounding real estate, with the street address of 1611 N. 31st Street, Richmond, Virginia 23223, was the site of Armstrong High School from September 1952 to June 2004; and

WHEREAS, effective with the 2004-05 school year, the Property was vacated due to the consolidation of Armstrong and Kennedy High Schools and the relocation of students, faculty and staff to the Kennedy High School building; and

WHEREAS, the Property is currently vacant and is under the management and control of the School Board of the City of Richmond (the "School Board"); and

WHEREAS, pursuant to Section 22.1-129(A) of the Code of Virginia, the School Board has now determined that it has no further use for the Property.

BE IT THEREFORE RESOLVED by the School Board of the City of Richmond that it declares the Property surplus and conveys the management and control of the Property to the City for disposition. The Property is approximately 9.55 acres and is further described on the attached plat of survey which details its exact metes and bounds.

Stephen E. Johnson 6/10/05
Chairman

JUN 09 2005 13:51 FR HARRELL-CHAMBLISS LLP004 648 2707 TO 7805403

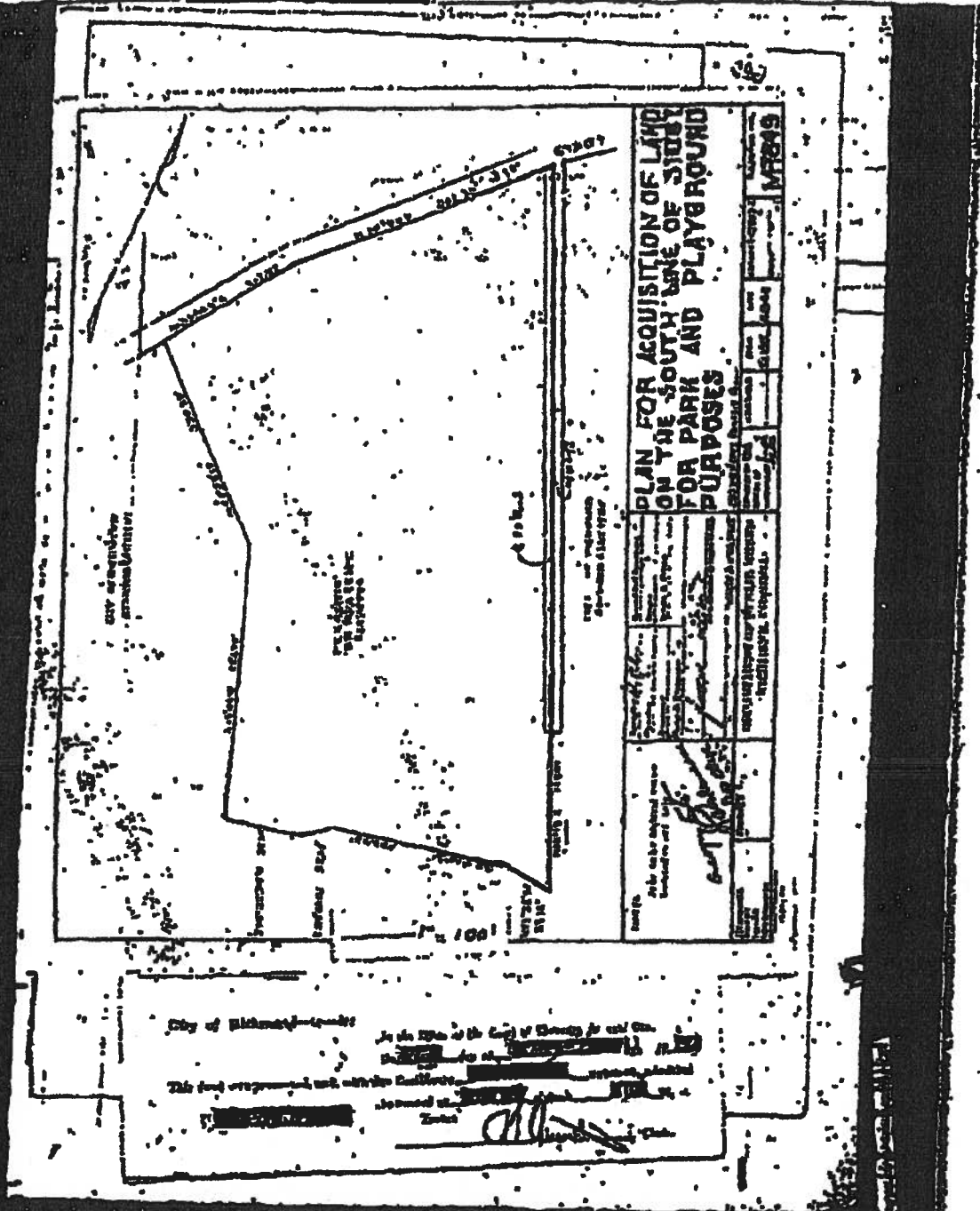
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HERITAGE

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RESOLUTION

WHEREAS, on June 16, 2005, the School Board of the City of Richmond ("School Board") declared surplus 1611 N. 31st Street, Richmond, Virginia 23223, formerly the site of Armstrong High School, ("Old Armstrong Building") and conveyed the management and control of the Old Armstrong Building to the City of Richmond ("the City") by resolution; and

WHEREAS, on September 5, 2006, the School Board declared surplus 2100 Sussex Street, Richmond, Virginia 23223, formerly the site of Whitcomb Court Elementary School, ("Whitcomb Court") and conveyed the management and control of Whitcomb Court to the City by resolution; and

WHEREAS, the City has requested the School Board issue quitclaim deeds for the Old Armstrong Building and Whitcomb Court; and

WHEREAS, the School Board is in need of space to operate a welcome center for Richmond Public Schools; and

WHEREAS, representatives of the City have verbally agreed to allow the School Board and Richmond Public Schools to sublease space for a welcome center in the Southside Community Development Center at no cost; and

WHEREAS, the School Board desires that the City market for resale all school properties previously declared surplus; and

WHEREAS, representatives of the City have verbally committed to market all school properties previously declared surplus to the City; and

WHEREAS, the School Board desires to memorialize the City's agreement to sublease space at the Southside Development Center or comparable space at no cost beginning November 1, 2014, and the City's commitment to market all school properties previously declared surplus to the City in consideration for the issuance of the quitclaim deeds for the Old Armstrong Building and Whitcomb Court.

NOW THEREFORE BE IT RESOLVED, that the School Board authorizes the Chair of the School Board to execute quitclaim deeds for the Old Armstrong Building and Whitcomb Court upon receipt of written confirmation and/or memoranda of understanding regarding the verbal commitments of the City stated herein.


School Board Chair

10/22/2014
Date


Clerk