AN ORDINANCE No. 2024-112

To create the Diamond District Community Development Authority.

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Patrons – Mayor Stoney, Ms. Jordan, President Nye, Ms. Newbille, Ms. Trammell, Mr. Addison, Ms. Lynch, Ms. Robertson, and Vice President Lambert

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Approved as to form and legality
by the City Attorney

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PUBLIC HEARING: MAY 8 2024 AT 3 P.M.

WHEREAS, the Council (the "Council") of the City of Richmond, Virginia (the "City"), has received a petition (the "Petition") for the creation of the Diamond District Community Development Authority (the "CDA") from the Economic Development Authority of the City of Richmond, Virginia (the "EDA"); and

WHEREAS, the EDA has represented that it is the fee simple owner of more than fifty-one percent (51%) of the land area or assessed value of the land proposed to be included within the geographic boundaries of the CDA (as hereinafter described, the "CDA District"); and

WHEREAS, the Council proposes to create the CDA in order to provide or otherwise fund the public infrastructure improvements, facilities and services described in the Petition in connection with the development or redevelopment of the property that will comprise the CDA District; and

AYES:	6	NOES:	0	ABSTAIN:	

ADOPTED:	MAY 8 2024	REJECTED:		STRICKEN:	

WHEREAS, the creation of the CDA to assist in providing or otherwise funding the public infrastructure improvements, facilities and services described in the Petition (a) will benefit the citizens of the City by promoting increased employment opportunities in the City, (b) will facilitate the successful expansion of the City's tax base through increased real property, personal property, sales, meals and business, professional and occupational license tax revenues from the increase in investment and economic activity in the CDA District, (c) will be necessary or desirable for development or redevelopment within or affecting the CDA District or to meet the increased demands placed upon the City as a result of development or redevelopment within or affecting the CDA District, and (d) will provide new recreational facilities for use by residents of the City and the Commonwealth of Virginia (the "Commonwealth"); and

WHEREAS, the Council has conducted a public hearing on May 8, 2024, on the adoption of this ordinance, and notice thereof was published on April 14, 2024, April 17, 2024, April 21, 2024, and April 28, 2024, in accordance with § 15.2-5156 of the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2, Code of Virginia of 1950, as amended (the "Act"); and

WHEREAS, the EDA has waived in writing its right to withdraw its signature from the Petition in accordance with § 15.2-5156(B) of the Act;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1.   **Publication of Notice**. The Council hereby deems the notice of public hearing published on April 14, 2024, as the first notice for purposes of § 15.2-5156(A) of the Act.

§ 2.   **Creation of Authority; Powers under the Act**. The Council hereby finds that the creation of the CDA is in the public interest of the City and its citizens. The Diamond District Community Development Authority is hereby created as a public body politic and corporate and political subdivision of the Commonwealth in accordance with the applicable provisions of the Act.

The CDA shall have the powers set forth in the Act.

§ 3.   **Boundaries of CDA**.   The CDA boundaries shall initially include the property identified in the attached Exhibit A (as previously defined and as may be adjusted in accordance with the provisions of this ordinance, the "CDA District").   In accordance with § 15.2-5157 of the Act, a copy of this ordinance shall be recorded in the land records of the Circuit Court of the City of Richmond for each tax map parcel within the initial boundaries of the CDA District upon its adoption. The boundaries of the CDA District (a) may be expanded by the Council by subsequent ordinance or resolution upon petition filed pursuant to the Act and (b) may be adjusted by the City to exclude certain land as long as the owners of at least fifty-one percent (51%) of the land area or assessed value of land that will remain in the CDA District after the adjustment originally petitioned for the creation of the CDA.

§ 4.   **Facilities and Services**.   The CDA is created for the purpose of exercising the powers set forth in the Act, including acquiring, financing, funding, designing, constructing, equipping and providing for the construction, installation, operation, maintenance (unless dedicated to and accepted by an appropriate governmental entity other than the CDA), enhancement, replacement, relocation and alteration of all or portions of the public infrastructure improvements, facilities and services more particularly described in the Petition, which description is incorporated herein by reference.   The CDA shall not provide services that are provided by, or obligated to be provided by, any other authority already in existence pursuant to the Act unless such authority provides the certification required by § 15.2-5155(B) of the Act.

§ 5.   **Articles of Incorporation**.   Attached hereto as Exhibit B are the proposed Articles of Incorporation of the CDA. The Chief Administrative Officer is authorized and directed to execute and file such Articles of Incorporation on behalf of the Council with the State Corporation Commission in substantially the form attached as Exhibit B with such changes, including, without limitation,

insubstantial changes to the boundary description of the CDA District described therein, as the Chief Administrative Officer may approve. The Chief Administrative Officer is authorized to approve such changes or corrections to the Articles of Incorporation prior to filing with the State Corporation Commission as do not change the purpose or function of the CDA as set forth in this ordinance and in the Petition.

§ 6. **Capital Cost Estimates**. The Council hereby finds, in accordance with § 15.2-5103(B) of the Act, that it is impracticable to include capital cost estimates, project proposals and project service rates, except as preliminarily summarized in the Petition.

§ 7. **Membership of the Authority**.

(a) The powers of the CDA shall be exercised by a board (the "CDA Board") consisting of five (5) members.

(b) All CDA Board members shall be appointed by the Council in accordance with the provisions of § 15.2-5113 of the Act.

(c) The initial members of the CDA Board shall be as set forth in the Articles of Incorporation for the terms set forth therein.

(d) CDA Board members shall receive no compensation from the CDA for their service as CDA Board members.

§ 8. **Plan of Finance; Issuance of Bonds**.

(a) The public infrastructure improvements, facilities and services to be undertaken by, or on behalf of, the CDA, the City or the EDA as described herein and in the Petition shall be funded from all or some of the following sources: (i) bonds or other obligations for the payment of money to be issued by the CDA (the "Bonds") or bonds or other obligations for the payment of money to be issued by the EDA or the City; (ii) rates, fees and charges for the use of, or the benefit derived from, the services and/or facilities provided, owned, operated, or financed by the CDA benefiting property

within the CDA District (including, but not limited to, a hotel surcharge on guest stays at hotels located in the CDA District and a consumer use surcharge on consumer purchases occurring in the CDA District) to be imposed pursuant to § 15.2-5158(A)(6) of the Act; and (iii) any other legally available funds or revenues of the CDA.

(b)   The proceeds from the sale of any Bonds will be used to (i) pay (A) the costs of the infrastructure, facilities and services as described herein and in the Petition, (B) the costs of financing such infrastructure, facilities and services, and (C) certain interest on the Bonds prior to and during construction and for up to one year after completion of construction and (ii) fund any required reserves in connection with the Bonds.

(c)   The CDA may enter into one or more agreements with some or all of the following parties—the City, the EDA, any other appropriate governmental entities and any developer entity undertaking the redevelopment of the Property (or their respective successors and assigns)—(i) to make available the above-referenced revenues as security for the repayment of any bonds or other obligations for the payment of money issued by the EDA or the City for the purpose of paying the costs of the Infrastructure described herein and any related financing and administrative costs and funding related capitalized interest and reserves and (ii) to pay (or reimburse any appropriate governmental entities for prior payments of) the costs of such Infrastructure.

(d)   Any Bonds or any other financing arrangements entered into by the CDA will be indebtedness of the CDA, will not be a debt or other obligation of the City and will not constitute a pledge of the faith and credit of the City.

§ 9.   **Recordation of Ordinance**. The Council hereby directs that a copy of this ordinance be recorded in accordance with § 15.2-5157 of the Act.

§ 10.   **Effective Date.** This ordinance shall be in force and effect upon adoption.

APPROVED AS TO FORM:

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CITY ATTORNEY'S OFFICE