



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Council Chief of Staff

Finance & Economic Development Standing Committee

September 19, 2024

Legislative Summary

Previous Meeting: July 18, 2024

Next Meeting: October 17, 2024

Paper(s) for Consideration

1. ORD. 2024-186

Patron(s): Ms. Lynch, President Nye, Ms. Robertson, Mayor Stoney, Mr. Addison and Ms. Jordan

To amend City Code § 21-4, concerning definitions related public procurement, and to amend Ch. 21, art. II, by adding therein new section 21-74, concerning the payment of prevailing wages for certain construction contracts, as authorized by Va. Code § 2.2-4321.3(C).

Key Points:

- A. The Virginia General Assembly during its 2020 session amended the Virginia Public Procurement Act (VPPA) to provide Virginia localities the non-mandatory option to implement local prevailing wage programs for public works contracts valued at more than \$250,000.
- B. Implementation will be delayed until July 2025.

Fiscal Impact: None Yes

The total fiscal impact of a prevailing wage program is difficult to estimate with any degree of certainty. The City is likely to see an impact on the pricing for construction contracts, both due to increases in wage rates as well as from increased administration costs. City Administration is preparing an estimated fiscal impact.

2. ORD. 2024-187

Patron(s): Mr. Addison and Ms. Lynch

To amend City Code §§ 26-871, concerning the establishment of annual license taxes, and 26-873, concerning exemptions to license taxes, to increase the threshold for business, professional and occupational license taxes from \$250,000.00 to \$500,000.00.

Key Points:



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- A. In February 2022, the BPOL threshold was increased from \$100,000 to \$250,000 via legislative action. By increasing this threshold, more Richmond businesses would be added to the population of businesses which pay a \$30 flat fee as opposed to their higher BPOL taxes.
- B. The goal of this proposed ordinance is to increase the number of Richmond businesses that pay no tax/fee or pay a minimal fee by raising the threshold to \$500,000.
- C. City Administration is performing a complete review of the BPOL Program and currently does not support the proposed legislation.

Fiscal Impact: None Yes

Estimated \$1M revenue loss for the City of Richmond. No revenue replacement plan has been proposed.

3. ORD. 2024-206

Patron(s): Mayor Stoney and
Vice President Lambert

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept funds in the amount of \$1,350,000.00 from the United States Department of Transportation, and to amend the Fiscal Year 2024-2025 Special Fund Budget by creating a new special fund for the Department of Planning and Development Review called the Reconnect Jackson Ward Special Fund, and to appropriate the increase to the Fiscal Year 2024-2025 Special Fund Budget by increasing estimated revenues and the amount appropriated to the Department of Planning and Development Review's Reconnect Jackson Ward Special Fund by \$1,350,000.00, for the purpose of funding the implementation of the Reconnect Jackson Ward project.

Key Points:

- A. The receipt of funds from the United States Department of Transportation provides for the implementation of the Reconnect Jackson Ward project.
- B. This request provides a new special fund within the Department of Planning and Development Review - "Reconnect Jackson Ward Special Fund".

Fiscal Impact: None Yes. There is a local match requirement of \$340,000. The match will be absorbed within the current operating budgets of the Department Public Works and Department of Planning and Development Review.



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4. ORD. 2024-207

Patron(s): 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, the Elmington Capital Group, 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 2201 McDonough Street, 2301 McDonough Street, 2300 Semmes Avenue, 2310 Semmes Avenue, 2310A Semmes Avenue, 211 West 22nd Street, 215 West 22nd Street, 217 West 22nd Street, 219 West 22nd Street, 221 West 22nd Street, 301 West 22nd Street, 302 West 22nd Street, 307 West 22nd Street, 315 West 22nd Street, 322 West 22nd Street, 222 West 21st Street, and 2100 Perry Street.

Key Points:

- A. To participate in the program, the Commonwealth requires Richmond to offer incentives, which it does through six local reimbursement grant programs for businesses and property owners that invest and create jobs within the Zones.
- B. The maximum value of Richmond's reimbursement grants ranges from \$1,000 to \$10,000, depending on the program. As of June 2024, \$265,298 in local Enterprise Zone funds were awarded to 58 applicants. The private investment associated with these projects was over \$28.3 million.

Fiscal Impact: None. Yes.

5. ORD. 2024-222

Patron(s): Ms. Trammell

To amend and reordain City Code § 26-355, concerning the levy of tax on real estate, to establish a tax rate of \$1.16 for the tax year beginning Jan. 1, 2025, pursuant to Va. Code § 58.1-3321 (b), and increasing such rate from the Rolled Back Tax Rate of \$1.136 as computed in accordance with Va. Code § 58.1-3321 (a).

Key Points:

- A. To amend Section 26-355 of the Code of the City of Richmond by levying a real estate tax rate of \$1.16 for the tax year beginning January 1, 2025.
- B. The City Assessor has advised Council that the growth in land book value for Tax Year 2025, over the Tax Year 2024 land book, was 6.68% which means that if the real estate taxpayer's tax bill will increase again if the current \$1.20 real estate tax rate is continued. Administration does not support this legislation



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Fiscal Impact: None. Yes.

6. ORD. 2024-223

Patron(s): President Nye

To amend and reordain City Code § 26-355, concerning the levy of tax on real estate, to establish a tax rate of \$1.20 for the tax year beginning Jan. 1, 2025, pursuant to Va. Code § 58.1-3321 (b), and increasing such rate from the Rolled Back Tax Rate of \$1.136 as computed in accordance with Va. Code § 58.1-3321 (a).

Key Points:

- A. Ordinance to amend City Code Section 26.355 to maintain the tax rate at \$1.20 per \$100 of Assessed Value, which is an increase from the "Rolled Back Tax Rate" of \$1.136
- B. Adoption of a tax rate that differs from the "Roll Back" rate requires a public hearing and notice in accordance with Section 58.1-3221 of the Code of Virginia. Administration supports this legislation

Fiscal Impact: None. Yes. The Tax rate would remain unchanged.

7. ORD. 2024-224

Patron(s): Ms. Robertson

To approve the Work Plan and Budget for the fiscal year ending June 30, 2025, for the provision of services in the Downtown Special Service and Assessment Districts.

Key Points:

- A. To approve the Work Plan and Budget for the fiscal year ending June 30, 2025, for the provision of services in the Downtown Richmond Special Service and Assessment Districts.
- B. The city provides a contribution to the Venture Richmond program annually. The funding is used to pay for the Clean & Safe program managed by Venture Richmond. In accordance with the applicable Ordinance that formed the basis of the public-private partnership and imposed a \$0.5/100 special assessment on District property owners for enhanced services.

Fiscal Impact: None. Yes. Funding is included in the City of Richmond FY 25 proposed and adopted budgets.



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8. ORD. 2024-225

Patron(s): Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute an Operational Agreement for Cooperative Partnerships for Opioid Abatement Authority Awards between the City of Richmond and Henrico County for the purpose of creating a resource map in collaboration with Henrico County to combat the opioid crisis.

Key Points:

- A. This project will build on the efforts of the "Implementing Opioid Strategies at the Local Level" (IOPSSL) grant held by the Richmond Henrico Health District from the National Association of County and City Health Officials for a Resource Mapping project.
- B. With adoption of this ordinance, the Administration will ensure that all funds will go toward approved uses in compliance with the National Opioid Settlement and the Virginia Opioid Abatement Authority.

Fiscal Impact: None. Yes.

9. ORD. 2024-226

Patron(s): Mayor Stoney

To authorize the Chief Administrative Officer for, and on behalf of the City of Richmond, to accept funds in the amount of \$178,170.00 from the Virginia Opioid Abatement Authority, and to amend the Fiscal Year 2024-2025 Special Fund Budget by creating a new special fund for the Department of Neighborhood and Community Services called the "OAA Resource Mapping Project Special Fund," and to appropriate the increase to the Fiscal Year 2024-2025 Special Fund Budget by increasing estimated revenues and the amount appropriated to the Department of Neighborhood and Community Services' "OAA Resource Mapping Project Special Fund" by \$178,170.00, for the purpose of creating a resource map in collaboration with Henrico County to combat the opioid crisis.

Key Points:

- A. The cooperative project proposed by the City and Henrico was approved with a total funding amount of \$183,170. The City's proposal was chosen and developed in direct partnership with stakeholders from Henrico County and the Richmond Opioid Task Force.



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- B.** This grant from the Virginia Opioid Abatement Authority will fully cover all costs associated with the project as approved by the VOAA. Additionally, adoption of this ordinance approves all tasks associated with the appropriation of these funds.

Fiscal Impact: None. Yes.

10. ORD. 2024-227

Patron(s): Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept funds in the amount of \$482,711.00 from the Virginia Opioid Abatement Authority, to amend the Fiscal Year 2024-2025 Special Fund Budget by creating certain new special funds for the Department of Neighborhood and Community Services, and to appropriate the increase to the Fiscal Year 2024-2025 Special Fund Budget by increasing estimated revenues and the total amount appropriated to the Department of Neighborhood and Community Services' new special funds by \$482,711.00, for the purpose of creating a resource map to combat the opioid crisis.

Key Points:

- A.** The Virginia Opioid Abatement Authority has an annual application cycle for Virginia localities to propose projects to draw down funds from their allotted individual funds. On May 31, 2024, the City of Richmond was notified by the Virginia Opioid Abatement Authority that three individual distribution projects proposed by the City were approved at their proposed funding value for fiscal year 2025.
- B.** Adoption of the ordinance ensures that all funds will go toward approved uses in compliance with the National Opioid Settlement and the Virginia Opioid Abatement Authority.
- C.** The total amount of this award is \$482,711.00. There is no city match requirement.

Fiscal Impact: None. Yes. The total amount of this award is \$482,711.00. There is no city match requirement.

11. ORD. 2024-228

Patron(s): Mayor Stoney

To amend Ord. No. 2024-099, adopted May 13, 2024, which adopted the Fiscal Year 2024-2025 General Fund Budget and made appropriations pursuant thereto, by (i) revising the title of the Non-Departmental line item entitled "Young Men's Christian



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Association of Greater Richmond (for Core Model Fund)" to "Young Men's Christian Association of Greater Richmond (for Middle School Alliance)," (ii) transferring \$100,000.00 from the Department of Neighborhood and Community Services, (iii) appropriating \$50,000.00 of the transferred funds to the "Young Men's Christian Association of Greater Richmond (for Middle School Alliance)" line item in the Non-Departmental agency, and (iv) appropriating \$50,000.00 of the transferred funds to the "Boys & Girls Clubs of Metro Richmond" line item in the Non-Departmental agency, all for the purpose of supporting the coordination of afterschool programming at six Richmond Public Schools middle schools.

Key Points:

- A. NextUp RVA has provided backbone services for middle school afterschool expanded learning programming and either directly coordinated providers and logistics at school sites or contracted with other nonprofit organizations to handle site coordination.
- B. This will allocate \$100,000 of the Department of Neighborhood and Community Services General Fund budget to the Young Men's Christian Association of Greater Richmond (for Middle School Alliance) and the Boys and Girls Clubs of Metro Richmond Non-Departmental line items.

Fiscal Impact: None. Yes.

12. ORD. 2024-229

Patron(s): Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to enter into the Twenty-Seventh Commercial Area Revitalization Effort Program Cooperation Agreement between the City of Richmond, Virginia, and the Economic Development Authority of the City of Richmond for the purpose of providing for the operation of the Commercial Area Revitalization Effort ("CARE") Program.

Key Points:

- A. The Commercial Area Revitalization Effort (CARE) Program was established in 1992 by the Department of Economic Development, as a comprehensive program for revitalizing the Hull Street commercial corridor between Commerce Road and Cowardin Avenue.
- B. The FY 2025 budget included \$300,000 in CARE program funding. The cooperation Agreement between the City and the EDA lays out the terms for administering the program.



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- C. The use of targeted incentives to encourage revitalization and job creation and support business attraction and expansion is supported by the City's adopted Strategic Plan for Equitable Economic Development.

Fiscal Impact: None. Yes.

13. ORD. 2024-230

Patron(s): 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, New Manchester Flats VI Multifamily, LLC, and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of an affordable housing development located at 1021 East 4th Street. (6th District)

Key Points:

- A. 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.
- B. The approval of this performance grant will allow the City to meet one of its primary affordable housing goals, to produce new affordable housing units that are critically needed as evidenced by the City's declaration of a "housing crisis".
- C. There are no direct fiscal implications as the grant payments are solely limited to incremental tax revenues above and beyond the identified baselines of current real estate tax revenues received by the City for such baselines for each of the projects

Fiscal Impact: None. Yes.

14. ORD. 2024-231

Patron(s): 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, Commonwealth Catholic Charities Housing Corporation, and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of an affordable residential development located at 1031 Fourquaren Lane. (6th District)

Key Points:



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- A. 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.
- B. The approval of this performance grant will allow the City to meet one of its primary affordable housing goals, to produce new affordable housing units that are critically needed as evidenced by the City's declaration of a "housing crisis".
- C. There are no direct fiscal implications as the grant payments are solely limited to incremental tax revenues above and beyond the identified baselines of current real estate tax revenues received by the City for such baselines for each of the projects

Fiscal Impact: None. Yes.

15. ORD. 2024-232

Patron(s): 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, Bellevue Gardens VA 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 1711 Bellevue Avenue and 3940 Rear Rosewood Avenue. (3rd District)

Key Points:

- A. 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.
- B. The approval of this performance grant will allow the City to meet one of its primary affordable housing goals, to produce new affordable housing units that are critically needed as evidenced by the City's declaration of a "housing crisis".
- C. There are no direct fiscal implications as the grant payments are solely limited to incremental tax revenues above and beyond the identified baselines of current real estate tax revenues received by the City for such baselines for each of the projects

Fiscal Impact: None. Yes.



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16. ORD. 2024-233

Patron(s): Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Performance Agreement between the City of Richmond, 1203 E Brookland LLC, and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of an affordable housing development located at 1203 East Brookland Park Boulevard. (6th District)

Key Points:

- A. 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.
- B. The approval of this performance grant will allow the City to meet one of its primary affordable housing goals, to produce new affordable housing units that are critically needed as evidenced by the City's declaration of a "housing crisis".
- C. There are no direct fiscal implications as the grant payments are solely limited to incremental tax revenues above and beyond the identified baselines of current real estate tax revenues received by the City for such baselines for each of the projects

Fiscal Impact: None. Yes.

17. ORD. 2024-234

Patron(s): 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, 6951 Carnation Multifamily, 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 6951 West Carnation Street. (9th District)

Key Points:

- A. 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.



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- B.** The approval of this performance grant will allow the City to meet one of its primary affordable housing goals, to produce new affordable housing units that are critically needed as evidenced by the City's declaration of a "housing crisis".
- C.** There are no direct fiscal implications as the grant payments are solely limited to incremental tax revenues above and beyond the identified baselines of current real estate tax revenues received by the City for such baselines for each of the projects

Fiscal Impact: None. Yes.

18. ORD. 2024-235

Patron(s): 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, Standard Development Partners 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 250 East German School Road. (9th District)

Key Points:

- A.** The approval of this performance grant will allow the City to meet one of its primary affordable housing goals, to produce new affordable housing units that are critically needed as evidenced by the City's declaration of a "housing crisis".
- B.** The true assessment value of the property at the time of the commencement of the Grant Period. However, estimates of anticipated revenue have been made based on prior year model estimates,

Fiscal Impact: None. Yes. The one-year fiscal impact is estimated based on the projected construction costs as a proxy for the assessed value of the property at the time of the commencement of the Grant Period.

19. ORD. 2024-236

Patron(s): 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, Lynhaven Ridge VA 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 2510 Lynhaven Avenue. (8th District)



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Key Points:

- A. The approval of this performance grant will allow the City to meet one of its primary affordable housing goals, to produce new affordable housing units that are critically needed as evidenced by the City's declaration of a "housing crisis".
- B. The true assessment value of the property at the time of the commencement of the Grant Period. However, estimates of anticipated revenue have been made based on prior year model estimates,

Fiscal Impact: None. Yes. The one-year fiscal impact is estimated based on the projected construction costs as a proxy for the assessed value.

20. ORD. 2024-237

Patron(s): Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a General Services Administration Public Buildings Service Lease Amendment between the City of Richmond and the United States Government for the purpose of increasing the number of parking spaces for federal employees at a parking facility located at 500 East Marshall Street. (6th District)

Key Points:

- A. City Council adopted ordinance 2023-310 on November 13, 2023 for the purpose of leasing to the federal government parking spaces at a City-owned parking facility located at 500 E. Marshall Street from October 1, 2023 to September 30, 2028.
- B. The federal government is requesting an increase of parking spaces from 17 spaces to 23 spaces.

Fiscal Impact: None. Yes.

21. ORD. 2024-238

Patron(s): Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute The Second Enterprise Zone Cooperation Agreement between the City of Richmond and the Economic Development Authority of the City of Richmond for the purpose of administering the Enterprise Zone Program to stabilize and revitalize enterprise zone areas by stimulating private investment through financial incentives.

Key Points:



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- A. To participate in the program, the Commonwealth requires Richmond to offer incentives, which it does through six local reimbursement grant programs for businesses and property owners that invest and create jobs within the Zones.
- B. The maximum value of Richmond's reimbursement grants ranges from \$1,000 to \$10,000, depending on the program. As of June 2024, \$265,298 in local Enterprise Zone funds were awarded to 58 applicants. The private investment associated with these projects was over \$28.3 million.

Fiscal Impact: None. Yes.

22. ORD. 2024-R030

Patron(s): Mayor Stoney

To adopt, pursuant to City Code § 21-44, procedures for utilizing construction management or design-build contracts.

Key Points:

- A. This proposed resolution would adopt a revised procedure for use in procuring design-build or construction management contracts in order to comply with state law
- B. As required by City Code section 21-44 and Va. Code section 2.2-4382, Policy No. 50 attached to Res. No. 2023-R030 was consistent with Va. Code section 2.2-4382 and the procedure of the Commonwealth's Secretary of Administration for utilizing construction management or design-build contracts in effect at that time. However, through the 2024 General Assembly session, Va. Code section 2.2-4382 was amended (effective July 1, 2024) as a result of HB 1108. Therefore, Policy No. 50 must be revised for consistency with Va. Code section 2.2-4382.

Fiscal Impact: None. Yes.

23. ORD. 2024-R031

Patron(s): Mayor Stoney

To approve the Richmond Metropolitan Transportation Authority's bond issuance as required by Va. Code § 33.2-2902(16).

Key Points:

- A. RMTA seeks participation in the fall pool bond sale of the Virginia Resources Authority ("VRA"). In order to meet VRA's bond sale requirements, approvals by the RMTA Board, RMTA's member jurisdictions, and the Mayor of the City of Richmond are required prior to October 13, 2024.



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- B.** The City's approval of RMTA's issuance of the Series 2024 Bond does not constitute an endorsement to prospective purchasers of such obligation of the creditworthiness of RMTA. The City has no obligation to pay debt service on RMTA's Series 2024 Bond or any other RMTA bond.

Fiscal Impact: None. Yes.

24. ORD. 2024-R032

Patron(s): Ms. Newbille

To express support for the master plan for the project known as the "Shockoe Project" and to request that the Chief Administrative Officer (i) endeavor to coordinate the execution of a certain document for any material changes to such master plan and (ii) provide the Council with quarterly reports concerning the implementation and construction of such project.

Key Points:

- A.** The goal of this legislation is to ensure if there are material changes to the project that all signatory partners are advised.
- B.** Additionally, this Resolution is requesting that Council be provided quarterly reports of implementation and construction of the project.

Fiscal Impact: None. Yes.



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Committee Follow-up

Fiscal Activities Calendar Items for September 2024:

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

Follow-Up Request from Prior Standing Committee Meeting – September 2024