



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

### Finance & Economic Development Standing Committee

March 19, 2025

### Prep Document for Committee Members

**Previous Meeting:** January 16, 2025

**Next Meeting:** April 16, 2025

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#### **Agenda Overview:**

- Two presentations:
  - Regional Competitiveness (Greater Richmond Partnership)
  - Federal Funding Update (Maggie Anderson)
- 11 papers for consideration:
  1. Ord. 2025-026: accept \$1.5 million from VA DCR for stormwater inventory.
  2. Ord. 2025-027: accept \$371,232 from VA Transit Association for Free Rides to Work Program (companion with Ord. 2025-028).
  3. Ord. 2025-028: execute a Cooperation Agreement for Free Rides to Work Program (companion with Ord. 2025-027).
  4. Ord. 2025-029: accept \$150,000 from Virginia Outdoors Foundation to construct an outdoor classroom at Bellemeade Park.
  5. Ord. 2025-030: to amend grant agreement for affordable housing at 2008 Hull Street to include adjacent property at 2021 Decatur Street (8<sup>th</sup> District).
  6. Ord. 2025-031: to amend grant agreement for affordable housing at 1031 Fourqurean Lane to include adjacent 1111 Fourqurean Lane (6<sup>th</sup> District).
  7. Ord. 2025-032: to execute grant agreement for affordable housing at 5015 Snead Road, 5009 Rear Snead Rd, and 5015 Rear Snead Rd (9<sup>th</sup> District).
  8. Ord. 2025-033: to accept \$2 million from the US Department of Transportation for the purpose of funding the programmatic assessment of City assets and properties for the redevelopment of the City's downtown transportation infrastructure.
  9. Ord. 2025-042: execute grant agreement for affordable housing at 1903 and 1905 Semmes Avenue (5<sup>th</sup> District).
  10. Ord. 2025-043: execute grant agreement for affordable housing at 809 Oliver Hill Way (6<sup>th</sup> District).
  11. Res. 2025-R013: approve issuance of \$15 million revenue bonds for Bon Secours Mercy Health, Inc. and Richmond Community Hospital.

## **Presentations**

[Regional Competitiveness](#) (GRP President, Jen Wakefield)

### Notes:

- GRP = lead regional org. for Richmond, Chesterfield, Hanover, & Henrico.
- Challenges:
  - Keeping pace with peer markets
  - Corporate Executives & Site Selector Perceptions
- FY26-30 Priorities
  - Business recruitment and cluster development
  - Research and market intelligence
  - Awareness and shaping perception of the region
  - Elevating regional competitiveness
- Target Industries
  - Advance Manufacturing
  - Corporate Services
  - Information Technology
  - Life Sciences
  - Emerging Niche Industries (Cleantech, Defense)
  - Regional Economic Driver (Transportation, Logistics)

### Questions:

- What is the strategy for promoting a competitive region?
- How does City of Richmond compare to its surrounding counties?
- What are your recommendations for promoting economic development projects within the City?

## Federal Funding Update (Maggie Anderson)

Notes:

Questions:

- The latest ARPA Spending Plan (February 2025) showed that we've obligated our full ARPA allocation of \$155 million. We've only spent about \$90 million of that – is there any risk we'll lose our obligated but not-yet-spent funding?
- What is the timeline for spending down the remainder of our ARPA funding?
- How are you evaluating which ARPA-funded investments to continue with local funding when they expire? For example: gun violence prevention, family crisis funding, and several others ...

## **Ordinances & Resolutions for Consideration**

### **1. Ordinance No. 2025-026**

**Patron** Mayor Avula

Title: To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept funds in the amount of **\$1,495,548.00** from the Virginia Department of Conservation and Recreation and to amend Ord. No. 2024-099, adopted May 13, 2024, which adopted the Fiscal Year 2024-2025 Stormwater Utility Budget and appropriated the estimated receipts of the stormwater utility, by increasing estimated revenues and the amount appropriated to the stormwater utility by \$1,495,548.00 for the **purpose of funding the modernization of the City's stormwater asset inventory**.

#### Potential Questions:

- The ordinance paperwork notes that this is a Capacity Building and Planning grant from the state's Community Flood Preparedness Fund to study infrastructure and the stormwater system in parts of Richmond's southside that experience routine flooding occurrences to better understand the stormwater system in those sub-watersheds and neighborhoods.
  - Where in southside specifically will this grant funding be used?
- What percentage of our stormwater assets inventory have we completed prior to receiving this grant, and how much more will we have done with the usage of these funds?
- Can you elaborate on what community outreach will look like for this? For example, will you need permission from people to examine private property?

*Staff Recommendation: Forward with recommendation to APPROVE.*

## 2. Ordinance No. 2025-027

**Patron** Mayor Avula

Title: To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept funds in the amount of **\$371,232.00** from the Virginia Transit Association 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 Public Works' Shared Mobility Special fund by \$371,232.00 for the **purpose of funding a Free Rides to Work program.**

*[likely to be heard in block with #3]*

## 3. Ordinance No. 2025-028

**Patron** Mayor Avula

Title: To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Cooperation Agreement between the City of Richmond and the Virginia Transit Association for the purpose of funding a Free Rides to Work program.

Background: <https://www.richmonder.org/a-richmond-program-that-offers-parents-in-need-free-rides-to-work-is-set-to-expand/>

Potential Questions:

- How many people use this program and where do they live? What is the cost per rider?
- Can we use data from this program to help inform public transit planning? If we know where people live and work who use this program, are we doing anything to share that with GRTC to make these locations more accessible?
- The ordinance packet includes a survey of riders. Question 11 asked "Have you been able to get a job that has increased your living wage?" Unfortunately, 68% of respondents said "no" – how should we react to that?

*Staff Recommendation: Forward both (#2,3) with recommendation to APPROVE.*

#### 4. Ordinance No. 2025-029

**Patron** Mayor Avula

Title: To amend Ord. No. 2021-079, adopted Apr. 12, 2021, which authorized the Chief Administrative Officer to accept funds in the amount of **\$150,000.00** from the Virginia Outdoors Foundation; amended the Fiscal Year 2020-2021 Special Fund Budget by creating a new special fund for the Department of Parks, Recreation and Community Facilities called the Bellemeade Park Outdoor Educational Classroom Facility Special Fund; and appropriated the grant funds received to the Fiscal Year 2020-2021 Special Fund Budget by increasing estimated revenues and the amount appropriated to the new Department of Parks, Recreation and Community Facilities' Bellemeade Park Outdoor Educational Classroom Facility Special Fund by \$150,000.00 for the purpose of funding the design, permitting, and construction of an outdoor classroom at Bellemeade Park located at 1800 Krouse Street in the city of Richmond, to **change the permitted use of the grant funds and modify the name of the special fund to which the grant funds are appropriated.**

Potential Questions:

- I'm so glad we can re-purpose these grant funds to help support Bellemeade Park and outdoor space. Can you elaborate on why we picked the uses that we did in this location? (Meadow, native plants, etc.)
- Can you elaborate on community engagement efforts on this project and others for capital projects in our Parks?

*Staff Recommendation: Forward with recommendation to APPROVE.*

## 5. Ordinance No. 2025-030

**Patron** Mayor Avula

Title: To amend Ord. No. 2024-193, adopted Jul. 22, 2024, which authorized the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Grant Agreement between the City of Richmond, Swansboro Place, 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 **2008 Hull Street**, for the purpose of modifying the location of the affordable housing development to include 2021 Decatur Street. 8<sup>th</sup> District

### Potential Questions:

- Why is this modification necessary?
- How many units will be included in this development? The ordinance paperwork says, "not less than 90 residential units."
- I see that this development will restrict residency to an average income designation of 60% of AMI. How is that calculated and enforced?

*Staff Recommendation: Forward with recommendation to APPROVE.*

## 6. Ordinance No. 2025-031

**Patron** Mayor Avula

Title: To amend Ord. No. 2024-231, adopted Sept. 23, 2024, which authorized 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 Fourquarean Lane**, for the purpose of modifying the location of the affordable housing development to include 1111 Fourquarean Lane. (6<sup>th</sup> District)

### Potential Questions:

- Why is this modification necessary?
- How many units will be included in this development? The ordinance paperwork says, "not less than 56 residential units."
  - 28 for 0-50% AMI
  - 28 for 50-80% AMI
- I see that this development will restrict residency to an average income designation of 60% of AMI. How is that calculated and enforced?

*Staff Recommendation: Forward with recommendation to APPROVE.*



## 7. Ordinance No. 2025-032

**Patron** Mayor Avula

Title: 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, Refuge Apartments, LP, and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of an affordable housing development located at 5015 Snead Road, 5009 Rear Snead Road, and 5015 Rear Snead Road, or a site resulting from any such consolidation of the aforementioned parcels. (9<sup>th</sup> District)

TO BE CONTINUED to April 16, 2025 Finance Meeting

### Potential Questions:

- How many units will be included in this development? The ordinance paperwork says, "not less than 180 residential units."
- I see that this development will restrict residency to an average income designation of 60% of AMI. How is that calculated and enforced?
  - All 180 units 50-80% AMI
  - Related SUP (Ord. 2025-025) on Tue, 2/18 Planning [City of Richmond - File #: ORD. 2025-025](#)
  - Developer = Lawson Company

*Staff Recommendation: Forward with recommendation to APPROVE.*

## 8. Ordinance No. 2025-033

Patron Mayor Avula

Title: To authorize the Chief Administrative Officer to accept funds in the amount of **\$2,000,000.00** from the United States Department of Transportation, to amend the Fiscal Year 2024-2025 Special Fund budget by creating a new special fund for the Department of General Services called the "Build America Bureau 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 General Services' "Build America Bureau Special Fund" by \$2,000,000.00, for the purpose of **funding the programmatic assessment of City assets and properties for the redevelopment of the City's downtown transportation infrastructure.**

Background: "These funds are intended to drive a 24-month comprehensive and systematic approach to the transportation and property inventory of the assets and leverage them for public-private development opportunities. If successful, the enhanced assets will include jointly developed municipal buildings, private and non-profit businesses (with an emphasis on life sciences, higher education, and healthcare), mixed-income housing, a permanently located GRTC transfer station, transportation mobility improvements, and the creation of a vibrant core downtown."

### Potential Questions:

- What sort of assets are included in this assessment? Are we talking about streets, sidewalks, and bus stops mostly?
- Can you elaborate on the plans for using the results of this assessment?
- Has this been impacted by recent changes in federal grants policies?
- The City committed \$750,000 in local funds and \$250,000 from the GRTC in addition to this \$2 million federal grant for a total of \$3 million. What might be the investment needed to improve or replace the assets studied in this assessment?

*Staff Recommendation: Forward with recommendation to APPROVE.*

## 9. Ordinance No. 2025-042

Patron Mayor Avula

Title: 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, 1903 Semmes 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 1903 Semmes Avenue and 1905 Semmes Avenue. (5th District)**

Notes:

- Developer = Commonwealth Catholic Charities
- Incremental real estate tax revenues generated by the project = \$84,824.27 (estimated \$89,504.27 - \$4,680 base 2025 revenue).
- Exhibit A, outlines the # of affordable units and their AMI restrictions for a minimum of 30 years:
  - 2 units = up to 40% AMI
  - 8 units = up to 50% AMI
  - 10 units = up to 60% AMI

Questions:

- How many total units will be included in this development? The ordinance paperwork says, "no less than 20 affordable housing units" ?
- Can you elaborate on the fiscal impact of approving this grant agreement? What is the lost revenue in year 1 and out years?
- How do you account for future lost revenue as the value of this property changes over the next 10, 15 or 20 years?
- What sorts of city infrastructure investments (sidewalks, sewer, schools, etc.) are we making to ensure we're ready for this project?

*Staff Recommendation: Forward with recommendation to APPROVE.*

## 10. Ordinance No. 2025-043

Patron Mayor Avula

Title: 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, 809 Oliver Hill Way 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 809 Oliver Hill Way. (6th District)**

Notes:

- Developer = Commonwealth Catholic Charities
- Incremental real estate tax revenues generated by the project = \$318,787.99 (estimated \$339,943.99 - \$21,156 base 2025 revenue).
- Exhibit A, outlines the # of affordable units and their AMI restrictions for a minimum of 30 years:
  - 15 units = up to 40% AMI
  - 25 units = up to 50% AMI
  - 40 units = up to 60% AMI
  - 40 units 0-50% AMI
  - 40 units 50-80% AMI

Questions:

- How many total units will be included in this development? The ordinance paperwork says, "no less than 85 affordable housing units" ?
- Can you elaborate on the fiscal impact of approving this grant agreement? What is the lost revenue in year 1 and out years?
- How do you account for future lost revenue as the value of this property changes over the next 10, 15 or 20 years?
- What sorts of city infrastructure investments (sidewalks, sewer, schools, etc.) are we making to ensure we're ready for this project?

*Staff Recommendation: Forward with recommendation to APPROVE.*

## **11. Resolution 2025-R013**

**Patron** Mayor Avula

Title: To express the concurrence of the Council with the inducement resolution adopted by the Economic Development Authority of Henrico County and to approve the issuance of revenue bonds in an amount not to exceed \$15,000,000 for the benefit of Bon Secours Mercy Health, Inc. and Richmond Community Hospital.

Notes:

- January 16, 2025 EDA of Henrico County adopted an “inducement resolution” for Health Facilities Revenue Bonds for purpose of:
  - Finance or refinance capital expenditures
  - Pay a portion of interest on the bonds
  - Establish one or more debt service reserve funds
  - Pay expenses incurred in connection with Bonds.
- Bonds for the benefit of the Richmond Community Hospital facilities shall not exceed \$15 million.
- EDA held a public hearing on February 27<sup>th</sup>, 2025.

Questions:

- Do we anticipate issuing the full \$15 million allowed amount?
- Can you confirm that the City of Richmond is not financially “on the hook” for these bonds either in the form of debt capacity, paying them, or if Bon Secours was to default?

*Staff Recommendation: Forward with recommendation to APPROVE.*