



CITY OF RICHMOND

Department of Planning & Development Review *Staff Report*

No. 2015-046: 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.

To: City Planning Commission
From: Land Use Administration
Date: March 2, 2015

PETITIONER

City of Richmond
900 East Broad Street
Richmond, VA 23219

LOCATION

1501 North 31st Street and 1611 North 31st Street

PURPOSE

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 and 1501 N. 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 by the Virginia Housing Development Authority.

SUMMARY & RECOMMENDATION

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 property necessary to implement the first phase of the Creighton Court redevelopment. On June 16, 2005, the School Board adopted Resolution # IA04-05-80, which 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

Moreover, 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 the Planning Commission and City Council on February 9, 2015 in Ordinance No. 2015-5-30. The option to RRHA contemplated by this proposed Ordinance 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 the 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. Staff recommends approval of the proposed transfer.

FINDINGS OF FACT

Site Description

The old Armstrong High School site, which currently serves the surrounding community with recreational space.

Proposed Use of the Property

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”)

Master Plan

The City of Richmond's Master Plan land use map displays a land use designation of Public and Open Space.

Zoning

The property is located in the R-5 Single Family zoning district and is subject to a Community Unit Plan approved by the Planning Commission on January 5, 2015. The Community Unit Plan authorized the construction of up to 300 dwelling units.

Surrounding Area

All surrounding properties are located within the R-5 Single Family zoning district. The area is predominately single family detached homes.

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