

INTRODUCED: May 26, 2015

AN ORDINANCE No. 2015-126-135

To approve the Work Plan and Budget for the fiscal year ending Jun. 30, 2016, for the provision of services in the Downtown Richmond Special Service and Assessment Districts.

Patrons – President Mosby and Ms. Graziano

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JUNE 8 2015 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Work Plan and Budget for the fiscal year ending June 30, 2016, for the provision of services in the Downtown Richmond Special Service and Assessment Districts and their overlay districts, as attached to this ordinance, are hereby approved.

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

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: JUNE 8 2015 REJECTED: _____ STRICKEN: _____



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Council Chief of Staff

Ordinance/Resolution Request

TO Allen Jackson, Richmond City Attorney
Richmond Office of the City Attorney

THROUGH Lou Brown Ali *LB*
Council Chief of Staff

FROM William E. Echelberger, Jr, Council Budget Analyst *[Signature]*

COPY Ms. Michelle R. Mosby, President
Ms. Kathy Graziano, 4th District Representative
Haskell Brown, Deputy City Attorney
Vincent Jones, Deputy Chief of Staff *V. Jones*
Uzziah A. Harris, 9th District Council Liaison
Timothy Grimes, 4th District Council Liaison

RECEIVED

MAY 08 2015

OFFICE OF CITY ATTORNEY

DATE May 8, 2015

PAGE/s 1 of 2

TITLE Approval of Annual Budget and Work Plan FY 14-15 for services in the Downtown Richmond Special Service and Assessment Districts

This is a request for the drafting of an **Ordinance** **Resolution**

REQUESTING COUNCILMEMBER/PATRON

Ms. Michelle R. Mosby, President, Ms. Kathy Graziano, 4th District

SUGGESTED STANDING COMMITTEE

Finance

ORDINANCE/RESOLUTION SUMMARY

The patron requests an ordinance to approve the Work Plan and Budget for the fiscal year ending June 30, 2016, for the provision of services in the Downtown Richmond Special Service and Assessment Districts

BACKGROUND

Program Summary: The patron requests an ordinance to approve the Work Plan and Budget for the fiscal year ending June 30, 2016, for the provision of services in the Downtown Richmond Special Service and Assessment Districts. Attached is the FY 16 budget and Work Plan.

Venture Richmond manages the Downtown Special Assessment District and submits an annual Work Plan and Budget to City Council. Upon approval of this plan, by ordinance, Venture Richmond will continue to manage the district through June 30, 2016. Venture Richmond provides management of the Clean and Safe Program, provides marketing services, sponsors various downtown events and manages various programs in the Riverfront Overlay District such as the canal cruises.

Fiscal Impact: The City provides a contribution to the Venture Richmond program annually. It is used to pay for the Clean & Safe program managed by Venture

Richmond. The Mayor's proposed FY16 budget includes \$1,190,000 in Non-Departmental funds for Venture Richmond.

The City originally agreed to outsource the Downtown sidewalk cleaning program (\$700,000) to Richmond Renaissance (now Venture Richmond) as part of a 50/50 partnership between the City and Downtown property owners/businesses who agreed to increase their Special Service District Tax Rate from \$0.03/\$100 of assessed value to \$0.05/\$100. Currently, the Downtown property owners/business fund 71% of the Service District programs and the City's share is 29%. Venture Richmond also receives funding from Special Assessment Districts.

FISCAL IMPACT STATEMENT

Fiscal Impact Yes No

Budget Amendment Required Yes No

Estimated Cost or Revenue Impact

None - Funding is expected to be included in the FY 2016 proposed and adopted budgets

Attachment/s Yes No

Richmond City Council Ordinance/Resolution Request Form/updated 10/5/2012 /ss

**Venture Richmond - Service Districts
Attachment - Venture Richmond Work Plan and Budget FY 2016
Consolidated Budget
Budget FY 2015-2016**

FY 15-16 Budget					
	Consolidated Service District Total	General District	Riverfront	Shockoe Slip	Broad/Grace
Projected Income (July 1, 2015-June 30, 2016)					
Interest Income - Service Districts	0				
Transfer from Fund Balance	49,592				25,340
Assessed Funds (General District)	1,392,572	1,392,572		24,252	
Assessed Funds (City account balance/carryover)	48,104	15,462			
Clean & Safe- City Share	700,000	700,000	32,642		
Assessed Funds (Riverfront)	392,358		392,358		
Riverfront-Other Revenue	398,954		398,954		
Projected Total Income - FY 2015-2016	2,981,580	2,108,034	823,954	24,252	25,340
TOTAL Income	2,981,580	2,108,034	823,954	24,252	25,340
Expenses (July 1, 2015-June 30, 2016)					
Riverfront support from GD	207,260				
Audit	5,000	207,260			
Clean & Safe Landscaping & Beautification	125,000	5,000			
Clean & Safe Contract Services	891,000	125,000			
Depreciation - Clean & Safe Equipment	27,407	891,000			
Insurance	5,075	27,407			
Bank Fees	300	5,075			
Downtown Marketing	270,039	300			
Legal	4,000	270,039			
Neighborhood Programs	49,592	4,000			
New Initiative				24,252	25,340
Program Management	247,953				
Richmond Folk Festival support from GD	200,000	247,953			
Friday Cheers support from GD	50,000	200,000			
2nd Street Festival support from GD	75,000	50,000			
Riverfront	823,954	75,000			
TOTAL EXPENSES	2,981,580	2,108,034	823,954	24,252	25,340
NET INCOME - June 30, 2016	0	0	0	0	0

Notes to FY 2015-2016 budget

* Use of fund balance from Shockoe Slip Consumer District & Broad/Grace Consumer District

** Clean & Safe equipment is a one time purchase using funding from previous tax years; amortized over 5 years

**Venture Richmond
Special Assessment District Management**

Work Plan and Budget FY 2015-2016

Venture Richmond represents the merger of Venture Richmond, River District Alliance, Richmond Riverfront Corporation and City Celebrations. Venture Richmond is under contract with the City of Richmond to manage the Downtown Special Service and Assessment Districts.

PROGRAM EVALUATION

The Service District programs were established in 1990 and are supported by the City of Richmond Administration, City Council and the Downtown business community. The FY 2015-2016 Work Plan and Budget continues to support the recommendations from a comprehensive evaluation of the Service District programs in 2006. The evaluation included: a VCU Metro Poll Telephone Survey of residents in the region to determine the community perceptions of Downtown Richmond; an online opinion survey for Downtown property owners, residents and businesses who pay the Special Assessment; and focus group discussions with the Downtown neighborhood organizations and Venture Richmond committees.

There is strong support for the Service District programs, in fact, 82% of the tax payers, who filled out the online survey, believed we should continue to provide enhanced services, such as Clean & Safe and marketing, for Downtown.

CLEAN & SAFE

The Downtown Special Assessment District continues to enjoy remarkable success, helping to transform a historic downtown into a thriving, vibrant area which is emerging as a key tax base driver for the City.

In accordance with the applicable Ordinance that formed the basis of the public-private partnership and imposed a \$.05/100 special assessment on District property owners, the City of Richmond's share of this program is \$700,000 annually. Private sector support via the special assessment exceeds the "City share" and continues to escalate.

The goals of the Downtown Clean and Safe Program include the following:

Attachment - Venture Richmond Work Plan and Budget FY 2016

- To improve the **cleanliness** of Downtown, Venture Richmond has contracted with Community Business Group to provide sidewalk cleaning services, landscape maintenance and other cleanliness related services in the districts. Funds previously used by the City to provide sidewalk cleaning services Downtown are transferred and outsourced to Venture Richmond to help fund this program.
- Through this program, services have exceeded normal City standards, handling the difficult problems of bus stops and tree wells, in particular, that require constant attention.
- To improve the **sense of safety** in Downtown, Venture Richmond has contracted with Community Business Group to provide Ambassadors on the streets of Downtown. The Ambassadors' primary role is to support events and activities Downtown and to serve as additional eyes and ears for the police. In many cases, Ambassadors on the streets, discourage behavior that threatens the future prosperity of Downtown. The success of this program is underscored by the number of requests for Ambassadors to provide services at events.
- To **beautify** Downtown, Venture Richmond will continue to work with the City of Richmond to maintain 450 tree wells in the district. This fills a void that some active civic associations would otherwise provide, but is not provided by the City on a consistent basis. Venture Richmond oversees the new Broad Street Beautification program, developed in partnership with Lewis Ginter Botanical Garden. Venture Richmond contracts with Klean Kare to provide the ongoing watering and maintenance. Venture Richmond is working with Maymont and the City on the 3rd and 5th Street Gateway Beautification Program planned for Spring / Summer 2015; Venture Richmond and/or its partners will contract with Kleane Kare to provide the ongoing watering and maintenance.

NEIGHBORHOOD PROGRAMS

To work with the Shockoe Slip and the Broad/Grace Consumer Districts to support specific programs that benefit those neighborhoods, such as capital improvement and beautification projects, neighborhood marketing initiatives, and events.

It should be noted that no City funds are used for these programs. These consumer districts had an extra tax assessment in the past, and the remaining balance of those funds is being used for these programs.

DOWNTOWN MARKETING

In addition to our ongoing marketing and promotional efforts for Downtown and the Riverfront Canal Cruises, Venture Richmond will continue to lead the RVA Branding initiative.

Attachment - Venture Richmond Work Plan and Budget FY 2016

DOWNTOWN EVENTS

To support major community festivals produced by Venture Richmond, such as the Richmond Folk Festival, 2nd Street Festival, and Friday Cheers.

RIVERFRONT DISTRICT

To fund the development and implementation of programs and property management for Richmond's Riverfront Overlay Districts. The annual work plan for this area includes:

- Maintain and rezone Tredegar Green
- Continue to improve the level of maintenance and landscaping of the Canal Walk corridor, Brown's Island, Bayscape Area – Haxall, Headgate Park, Tredegar Green and all of the leased areas;
- Facilitate interest in Richmond Riverfront development opportunities and provide assistance to developers and tenants;
- Coordinate private covenant and Riverfront design guideline compliance and Architectural Review Committee reviews of riverfront projects;
- Coordinate continuous improvements along the canal and riverfront area;
- Develop and spearhead a "botanical makeover" of the Canal Walk from Reynold's east towards the Floodwall, working in partnership with Lewis Ginter Botanical Garden and corporate volunteers.
- Continue site management role and active licensing of Brown's Island and Turning Basin event venues.
- Secure renewal or replacement of all business package, workers compensation, marine liability and general liability insurance policies.
- Annual upkeep of the historic interpretations
- Operate and market the Riverfront Canal Cruises

As a condition to the continuation of the Agreement for the Provision of Services in the Downtown Richmond Special Service and Assessment Districts dated December 31, 1996, as modified, amended and assigned (the "Services Agreement") and to secure Venture Richmond's performance under the Services Agreement, Venture Richmond hereby agrees to grant to the City (as defined in the Services Agreement) a lien on substantially all of the assets of Venture Richmond.