

INTRODUCED: March 25, 2019

AN ORDINANCE No. 2019-100

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Certificate of Completion for the benefit of Church Hill North Phase 1B LLC and the Richmond Redevelopment and Housing Authority at such time as the Chief Administrative Officer has determined that a certain deed condition requiring the construction and development of certain parcels of land as an affordable housing development has been fulfilled and completed.

\_\_\_\_\_  
Patron – Mayor Stoney

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney

PUBLIC HEARING: APR 22 2019 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That, at such time as the Chief Administrative Officer has determined that the condition under a certain Quit Claim Deed, dated January 23, 2017, and recorded in the land records of the Circuit Court of the City of Richmond on January 26, 2017, as Document No. 17-1669 (the “Deed”), that certain parcels of land located in the city of Richmond, Virginia, conveyed by the City of Richmond to the Richmond Redevelopment and Housing Authority be constructed and developed as an affordable housing development initially financed in part with an allocation of low-income housing tax credits provided through the Virginia Housing Development Authority has

AYES: 8 NOES: \_\_\_\_\_ ABSTAIN: 1

ADOPTED: APR 22 2019 REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

been fulfilled and completed, the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute a Certificate of Completion for the benefit of Church Hill North Phase 1B LLC and the Richmond Redevelopment and Housing Authority for the purpose of certifying, with respect to said parcels, that Church Hill North Phase 1B LLC and the Richmond Redevelopment and Housing Authority have fulfilled and completed the obligation under the Deed to construct and develop said parcels as an affordable housing development initially financed in part with an allocation of low-income housing tax credits provided through the Virginia Housing Development Authority. The Certificate of Completion shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

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



CITY OF RICHMOND  
INTRACITY CORRESPONDENCE

RECEIVED

MAR 12 2019

O & R REQUEST

4-8634

FEB 27 2019

Office of the  
Chief Administrative Officer

O&R REQUEST OFFICE OF CITY ATTORNEY

DATE: February 26, 2019

EDITION: 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor *LS* 3/8/19

THROUGH: Selena Cuffee-Glenn, Chief Administrative Officer *SCG*

FROM: Douglas C. Dunlap, Interim Deputy Chief Administrative Officer *DD*

RE: To Authorize the Chief Administrative Officer to execute and issue a Certificate of Completion on behalf of the City to Church Hill North Phase 1A and Richmond Redevelopment and Housing for Phases 1A and 1B of the revitalization and redevelopment of the former Armstrong High School site located at 1116 N. 31<sup>st</sup> Street and 1501 N. 31<sup>st</sup> Street.

ORD. OR RES. No. \_\_\_\_\_

PURPOSE: To Authorize the Chief Administrative Officer to execute and issue a Certificate of Completion on behalf of the City to Church Hill North Phase 1A and Richmond Redevelopment and Housing for multi-family and homeownership phases of the revitalization and redevelopment of the former Armstrong High School site located at 1116 N. 31<sup>st</sup> Street and 1501 N. 31<sup>st</sup> Street.

REASON: The City of Richmond recorded a Quit Claim Deed on January 26, 2017 which granted and conveyed certain parcels of land located at 1116 N. 31<sup>st</sup> Street and 1501 N. 31<sup>st</sup> Street in the City of Richmond, Virginia to Richmond Redevelopment and Housing Authority for the purpose of revitalization and redevelopment of the former school site as a mixed-use development,

The City Deed provides that if the Property is not constructed and developed as an affordable housing development initially financed in part with an allocation of low-income housing tax credits provided through the Virginia Housing Development Authority title to the Property is subject to a reversionary interest in favor of the City (the "Right of Reversion"). Removing the aforementioned deed restrictions allows the developer to obtain permanent financing needed to fund the project beyond the construction phase.

The City agrees to relinquish its ability to exercise its Right of Reversion against the Property, and Landlord will remain the fee owner of the Property, (i) so long as Tenant is in compliance with the affordability requirements under that certain Extended Use Regulatory Agreement and Declaration of Restrictive Covenants (the "Extended Use Agreement") by and between the Tenant and the Virginia Housing Development Authority

The Chief Administrative Officer, for and on behalf of the City, shall execute and deliver to the Tenant a Certificate of Completion with respect to the Leased Property in recordable form to be recorded by the Tenant.

The City agrees and it shall hereby subordinate any right, remedy, title, estate and interest in and to the Phase 1A Property arising as a result of its Right of Reversion to the lien of the Leasehold Mortgage. Without limiting the generality of the foregoing, if title becomes vested in the City, its successor or assigns as a result of the exercise of the Right of Reversion, such title shall be subject and subordinate to the lien of the Leasehold Mortgage

**RECOMMENDATION:** The City of Richmond, including the Department of Housing and Community Development, recommends approval

**BACKGROUND:** The City and the Richmond Redevelopment and Housing Authority have committed to address the de-concentration of poverty by undertaking the East End site (31st Street) where the school structure will be demolished and up to 250 new mixed income housing units will be developed.

The result will be a redevelopment effort in the Church Hill North Neighborhood which contains Creighton Court and portions of the Nine Mile Road Corridor. This involves the redevelopment of the Creighton Court public housing complex site(30+ acres) containing 504 public housing units. The phased redevelopment will begin on the former Armstrong High School City of Richmond has been awarded funding to support the development of new homes in the Church Hill North neighborhood. The City has supported the effort by providing funding to offset construction cost associated with the planned redevelopment.

**FISCAL IMPACT / COST:** No Impact

**NAFISCAL IMPLICATIONS:** NA

**BUDGET AMENDMENT NECESSARY:** NA

**REVENUE TO CITY:** NA

**DESIRED EFFECTIVE DATE:** Upon Adoption

**REQUESTED INTRODUCTION DATE:** March 35, 2019

O&R Request

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**CITY COUNCIL PUBLIC HEARING DATE:** April 22, 2019

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Standing Landuse Sub-Committee

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:**

**AFFECTED AGENCIES:** Housing and Community Development

**RELATIONSHIP TO EXISTING ORD. OR RES.:** Ordinance 2015-46-48

**REQUIRED CHANGES TO WORK PROGRAM(S):** NA

**ATTACHMENTS:** Ordinance 2015-46-48

**STAFF:** Douglas C. Dunlap, Economic Development and Planning – 646-6822

Denise Lawus, Housing and Community Development – 646-3975

RECORD AND RETURN TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CERTIFICATE OF COMPLETION

MADE this \_\_\_\_\_ day of \_\_\_\_\_, [20\_\_]

FROM

THE CITY OF RICHMOND, VIRGINIA, a municipal corporation of the Commonwealth of Virginia (the "City"),

TO

CHURCH HILL NORTH PHASE 1B LLC, a Virginia limited liability company, (the "Owner")

AND

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision of the Commonwealth of Virginia (together with its successors and assigns, the "Landlord").

RECITALS

A. The City by a Quit Claim Deed dated January 23, 2017 and recorded in the Clerk's Office of the City of Richmond (the "Clerk's Office") on January 26, 2017 as Document No. 17-1669 (the "City Deed") granted and conveyed certain parcels of land located in the City of Richmond, Virginia (the "Property") to the Landlord.

B. The Landlord conveyed a 99-year leasehold interest in a portion of the Property (the "Leased Property") to the Owner as more particularly described on Exhibit A attached hereto by Deed of Ground Lease dated as of October \_\_\_\_, 2018 (the "Ground Lease") and recorded with the Clerk's Office on [October \_\_\_\_, 2018 as Document No. 18-[\_\_\_\_\_].

C. The City Deed provides that if the Leased Property is not constructed and developed as an affordable housing development initially financed in part with an allocation of low-income housing tax credits ("LIHTC's") provided through the Virginia Housing Development Authority ("VHDA") title to the Leased Property is subject to a right of re-entry in favor of the City (the "Right of Re-Entry").

D. The Owner has completed the construction and development on the Leased Property of a building containing 45 housing units for low-income seniors initially financed in part with an allocation of LIHTCs through the VHDA.

E. The City desires to certify to the Owner and Landlord that (i) the obligation under the City Deed to construct and develop on the Leased Property an affordable housing development initially financed in part with an allocation of LIHTCs provided through the VHDA has been fulfilled and completed; and (ii) the Right of Re-Entry is of no further force and effect as of the date set forth above; and

NOW, THEREFORE, the City does hereby certify to the Owner and Landlord that (i) the Owner and Landlord have fulfilled and completed the obligation under the City Deed to construct and develop on the Leased Property an affordable housing development initially financed in part with an

allocation of LIHTCs provided through the VHDA; and (ii) the Right of Re-Entry is of no further force and effect as of the date set forth above.

This Certification shall constitute a conclusive determination of satisfaction of the obligation under the City Deed to construct and develop on the Leased Property an affordable housing development initially financed in part with an allocation of LIHTCs provided through the VHDA.

This Certification shall further mean that neither the City nor any other party shall hereinafter have nor be entitled to exercise with respect to the Leased Property or any part thereof so sold (or in the case of lease with respect to the leasehold interest) the Right of Re-Entry.

[SIGNATURE PAGE FOLLOWS]

MADE and entered into as of the day and year first above written.

ATTEST:

THE CITY OF RICHMOND, VIRGINIA

\_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

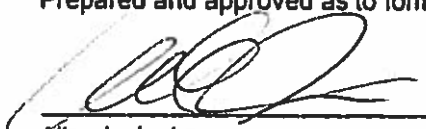
COMMONWEALTH OF VIRGINIA                    )  
  ) SS:  
COUNTY OF [ \_\_\_\_\_ ],                    )

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public, the undersigned officer, personally appeared [ \_\_\_\_\_ ], who acknowledged him/herself to be the [ \_\_\_\_\_ ] of the City of Richmond, Virginia, and that /she has such office, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the City of Richmond, Virginia by him/herself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

Prepared and approved as to form:

  
\_\_\_\_\_  
Allen L. Jackson  
City Attorney



**EXHIBIT A**

**Legal Description**

**ALL those certain lots, pieces or parcels of land lying and being in the City of Richmond, Virginia shown and designated as Lots 24 and 25, on subdivision plat prepared by H&B Surveying and Mapping, LLC, entitled, "FINAL PLAT OF CHURCH HILL NORTH SUBDIVISION 7th DISTRICT CITY OF RICHMOND, VIRGINIA", recorded January 16, 2018, as Instrument No. 180000761.**