

INTRODUCED: September 12, 2022

AN ORDINANCE No. 2022-258

To direct the sale of the City-owned real estate located at 2200 Ingram Avenue, consisting of 5.108 ± acres, for \$500,000.00 to Oak Grove Partners, LLC for the purpose of facilitating the construction of an affordable multifamily residential development.

\_\_\_\_\_  
Patron – Mayor Stoney

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

PUBLIC HEARING: SEP 26 2022 AT 6 P.M.

WHEREAS, by Resolution No. 2021-R024, adopted April 16, 2021, the Council approved the biennial real estate strategies plan entitled “2020 Biennial Real Estate Strategies Plan” and declared the City-owned real estate located at 2200 Ingram Avenue and known as The Oak Grove Parcel, consisting of approximately 5.108 acres, to be surplus City-owned real estate;  
NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That, notwithstanding the requirements of section 8-58 of the Code of the City of Richmond (2020), as amended, the City-owned real estate known as 2200 Ingram Avenue, consisting of approximately 5.108 acres, identified as Tax Parcel No. S000-0863/001 in the 2022

AYES: 7 NOES: 0 ABSTAIN: \_\_\_\_\_

ADOPTED: SEP 26 2022 REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

records of the City Assessor, being hereinafter referred to as the “Property,” is hereby directed to be sold to Oak Grove Partners, LLC, being hereinafter referred to as the “Purchaser,” for the purchase price of \$500,000.00 for the purpose of facilitating the construction of an affordable multifamily residential development consisting of approximately 220 apartment units and 15 townhomes or condos in accordance with Chapter 8 of the Code of the City of Richmond (2020), as amended, the Charter of the City of Richmond (2020), as amended, the Code of Virginia (1950), as amended, and the Constitution of Virginia.

§ 2. That the sale of the Property shall be conditioned on the Purchaser’s completion of both of the following within five years after the acquisition of the Property:

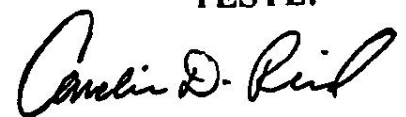
(a) The development of no less than 220 multifamily affordable dwelling units with 30-year income rent restrictions averaging no more than 60% of the area median income for the Richmond-Petersburg Metropolitan Statistical Area.

(b) The development of no less than 15 townhomes, condominiums, either or both, made available for sale to individuals or families at or below 80% of the area median income for the Richmond-Petersburg Metropolitan Statistical Area.

§ 3. That, pursuant to section 8-65(b) of the Code of the City of Richmond (2020), as amended, the Chief Administrative Officer is hereby directed to execute, on behalf of the City, the deed and such documents, all of which must first be approved as to form by the City Attorney, as may be necessary to consummate the sale of the Property.

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

**A TRUE COPY:  
TESTE:**

A handwritten signature in black ink, appearing to read "Camille D. Reed", written in a cursive style.

**City Clerk**

2022-202



O&R REQUEST

**DATE:** August 15, 2022

**EDITION:** 1

**TO:** The Honorable Members of City Council

**THROUGH:** The Honorable Levar M. Stoney, Mayor

**THROUGH:** J. E. Lincoln Saunders, Chief Administrative Officer

**THROUGH:** Sharon L. Ebert, DCAO – Planning & Economic Development Portfolio

**FROM:** Christopher Nizamis – Real Estate Manager/Real Estate Strategies

**RE:** To direct the sale of surplus City-owned real estate located at 2200 Ingram Avenue (former Oak Grove Elementary School)

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

**PURPOSE:** An ordinance (i) to direct the sale of the parcel of surplus city-owned real estate located at 2200 Ingram Avenue and referred in the records of the City Assessor as Tax Parcel No. S0000863001 (the “Oak Grove Parcel”) to Oak Grove Partners, LLC (the “Purchaser”) in exchange for the purchase price of \$500,000 and (ii) to authorize the Chief Administrative Officer to execute, on behalf of the City, a purchase agreement, deed, and such other documents as may be necessary to consummate the sale of the Oak Grove Parcel and to impose the following Affordable Housing Development Obligations upon Purchaser, all of which transactional documents must first be approved as to form by the Office of the City Attorney.

Affordable Housing Development Obligations – Within five years of acquiring the Oak Grove Parcel, the Purchaser shall complete the development of (1) no less than 220 multifamily affordable dwelling units with 30-year income rent restrictions averaging no greater than 60% AMI and (2) no less than 15 townhomes/condos available for-sale to/affordable to persons/families at or below 80% AMI.

**REASON:** An ordinance is necessary to convey the Oak Grove Parcel to the Purchaser and facilitate private redevelopment that yields a higher and better use on such surplus city-owned property and increases the availability of affordable dwelling units within the city.

**RECOMMENDATION:** The City Administration recommends approval.

**BACKGROUND:**

As approved by a surplus resolution adopted by the School Board, Richmond Public Schools (RPS) conveyed to the City any and all interest RPS held in the Oak Grove Parcel via a Quit-

claim Deed recorded in 2018. The City accepted such Quitclaim Deed pursuant to Ordinance No. 2017-235.

The property is currently vacant and considered surplus city-owned real estate via the Council's adoption of Res. No. 2021-R024, approving the 2020 Biennial Real Estate Strategies Plan. Specifically, the 2020 Biennial Real Estate Strategies Plan includes the Oak Grove Parcel in the subset of parcels labeled as "Category Two" ("Parcels + Assemblages of parcels with potential for future affordable multi-family rental units"), which is consistent with Purchaser's proposed development/use as described within Purchaser's unsolicited offer submitted to the City in March 2022, a copy of which is attached hereto). Summary of proposed purchase/use as set forth in the offer:

- Purchase Price: \$500,000 (In accordance with City Code, Purchaser provided a deposit in the amount of \$50,000 upon submission of the offer.)
- Proposed Use: The Purchaser proposes to demolish the vacant building formerly known as Oak Grove Elementary and transform the 5.108 acre Oak Grove Parcel into new high-quality energy-efficient affordable housing to be sold and leased to over 235 households as follows.
  - 220+ multifamily rental units reserved for households making an average of 60% of AMI
  - 15+ townhomes/condos for sale to families at or below 80% of AMI
- Additional Info:
  - Capital Investment – The Purchaser projects a total capital investment of over \$45M leveraging over \$20M in state and federal funds.
  - Jobs – The Purchaser projects 150+ construction jobs.

The Purchaser (Oak Grove Partners, LLC) is led by Lynx Ventures:

- Lynx Ventures is a mission-oriented firm committed to inclusive and thoughtful development, has created over 1,100 mixed-income units in the Richmond region over its 20-year history. It has successfully developed five properties under the LIHTC program, with two more underway. Lynx Ventures is experienced with public-private partnerships, including multiple performance grant agreements in three different localities. The firm is experienced in handling complex developments, with most of its projects incorporating multiple phases, uses, income levels, lenders and investors. It has built a strong reputation as a firm that sets and achieves ambitious goals centered around community benefits.

**FISCAL IMPACT / COST: N/A**

**FISCAL IMPLICATIONS:** N/A

**BUDGET AMENDMENT NECESSARY:** No

**REVENUE TO CITY:** City to receive one-time payment of purchase price in the amount of \$500,000. Additionally, following the conveyance the currently tax-exempt parcel will become taxable resulting in future annual real estate tax revenues.

**DESIRED EFFECTIVE DATE:** Upon adoption

**REQUESTED INTRODUCTION DATE:** September 12, 2022

**CITY COUNCIL PUBLIC HEARING DATE:** September 26, 2022

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** No committee referral pursuant to Rule VI(B)(4)

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** Planning Commission.

**AFFECTED AGENCIES:** Economic Development, Planning and Development Review, Housing & Community Development, and City Attorney's Office.

**RELATIONSHIP TO EXISTING ORD. OR RES.:** The Oak Grove Parcel is listed on the 2020 Biennial Real Estate Strategies Plan, approved by City Council via Res. No. 2021-R024

**REQUIRED CHANGES TO WORK PROGRAM(S):** None

**ATTACHMENTS:**

Unsolicited Offer submitted March 10, 2022

Unsolicited Offer Notice Memo to Mayor Stoney and City Council, dated March 14, 2022

**STAFF:**

Sharon L. Ebert, DCAO – Planning and Economic Development Portfolio  
Matt Welch, Senior Policy Advisor – Planning & Economic Development Portfolio  
Christopher Nizamis - Real Estate Manager/Real Estate Strategies  
Yvette Preston – Real Estate Analyst/Real Estate Strategies



March 10, 2022

**To:** City of Richmond Chief Administrative Officer  
c/o Matthew Welch, Department of Economic Development

**From:** Erica Sims, Chief Executive Officer, Maggie Walker Community Land Trust  
Bernard Harkless, Principal, Lynx Ventures, Inc.

**Re:** Proposal to purchase and redevelop 2200 Ingram Avenue to create for-rent and for-sale affordable housing

Maggie Walker Oak Grove Partners ("Oak Grove Partnership") – a partnership between the Maggie Walker Community Land Trust and Lynx Ventures – is proud to present this proposal to transform the vacant Oak Grove School at 2200 Ingram into modern affordable housing featuring both rental and for-sale opportunities. The Maggie Walker Community Land Trust ("MWCLT") and Lynx Ventures ("Lynx") both have a long track record of successfully accomplishing ambitious projects with substantial community benefits.

The Maggie Walker Community Land Trust, a non-profit 501(c)(3), has brought homeownership to over 65 families across the Metro Richmond region, with permanently affordable properties that have been sold at prices on average 50% lower than the median metro sales price, to buyers making on average 50% less than the region's AMI. With racial equity as a core part of its mission, over half of buyers are persons of color reaching their homeownership goals through innovative financial structures that are proven to close the racial and generational wealth gap. MWCLT's board and staff are active members of the community, either leading or deeply involved in such organizations as Peter Paul Child Development Center, RAR, LISC, VCC, RVA Thrives, HD Advisors, and the Partnership for Housing Affordability, among many others. It is proud to be partners and frequent collaborators with HOME, BHC, Project:HOMES, Habitat for Humanity, RCDA, Eagle Construction, and serves as the official land bank for the City of Richmond, the County of Henrico, and the County of Chesterfield. MWCLT's community land trust model provides stable housing and wealth-building for families experiencing housing insecurity, and passes that on to future owners through permanent affordability.

Lynx Ventures, a mission-oriented firm committed to inclusive and thoughtful development, has created over 1,100 mixed-income units in the Richmond region over its 20-year history. It has successfully developed five properties under the LIHTC program, with two more underway. Lynx is experienced with public-private partnerships, including multiple performance grant agreements in three different localities. Its principals serve in leadership roles in multiple civic organizations, including: board chair of the Partnership for Affordable Housing; board chair of Storefront for Community Design; Director and Executive Committee member of Venture Richmond; and board members of Richmond 300, ChamberRVA and DHCD. Lynx has a long history of community-centric development in South Richmond, including over 500 jobs created at Hatch Kitchen and Clopton Siteworks. The firm is experienced in handling complex developments, with most of its projects incorporating multiple phases, uses, income levels, lenders, and investors. It has built a reputation as a firm that sets and achieves ambitious goals centered around community benefits.

Oak Grove Partnership proposes to transform the 5.1-acre site of the vacant Oak Grove School into high-quality affordable housing. The development would bring a minimum of 15 affordable townhomes/condos for sale to families at or below the 80% AMI level, under a land trust model that both builds wealth for new homeowners. An adjacent multifamily component would create a minimum of 220 for-rent units reserved for households making an average of 60% of AMI. The energy-efficient rental units will feature amenities including pool and patio, fitness center, community room, greenspace, granite countertops, in-unit washer/dryers, and EV chargers. 10% of the rental units will be Universal Design, accessible to persons with disabilities. Under the LIHTC program, the project will leverage state and federal funding. It follows the goals and guidelines set out by the Richmond 300 plan, in a Priority Area under the City's Consolidated Plan, and creates new affordable and accessible opportunities in a neighborhood experiencing significant pressure from rising tax assessments.

Preservation is always a goal for the partners, who have completed more than 30 adaptive re-use projects comprising the rehabilitation of over 1 million square feet of historic building shells. Unfortunately, in this case Oak Grove Partnership has determined that it is not economically feasible to salvage the current structure without prohibitive costs that would erode the possibilities for community benefits. While it understands and respects that the school bears historic significance for the neighborhood, the long period of neglect makes a rehabilitation financially impractical, and Oak Grove Partnership proposes razing the structure. The team believes that it is important to honor the history of the school and its important role in the neighborhood, and commits to incorporate its legacy into a new project while also accomplishing today's goals of creating quality affordable housing for the future of Oak Grove.

Oak Grove Partnership has strong relationships with residents and community organizations in Southside Richmond and the Oak Grove neighborhood. The team will establish an inclusive planning process using community engagement to seek input and guidance from a wide range of neighborhood voices.

The Oak Grove Partnership developers have long track records of accomplishment. The partnership proposes a purchase agreement without any contingencies other than rezoning to allow the project. Oak Grove Partnership offers to enter into a performance agreement with the City to give citizens the assurance that it will follow through on the proposed development. With Baskervill architecture firm engaged on the project, the team stands ready to begin immediate work on planning and pre-development, and to act quickly in bringing new affordable rental and homeownership opportunities to Oak Grove.

Additional details of the proposal are set forth on the attached proposal outline.

Thank you for your consideration.



Erica Sims  
Chief Executive Officer  
Maggie Walker Community Land Trust



Bernard Harkless  
Principal  
Lynx Ventures, Inc.

Cc: Sharon Ebert, Deputy Chief Administrative Officer, City of Richmond

### PROPOSAL OUTLINE

**Property:** 2200 Ingram Ave, Richmond VA 23224 (PID: S0000863001)

**Purchaser:** Maggie Walker Oak Grove Partners, LLC

**Seller:** City of Richmond

**Proposed Use:**

- New for-sale and for-rent affordable housing
- ≥220 multifamily units with 30-year mixed-income rent restrictions averaging 60% of AMI
- ≥15 townhomes/condos with ground lease at 80% of AMI

**Purchase Price:** Five Hundred Thousand Dollars (\$500,000)

**Good Faith Deposit:** Fifty Thousand Dollars (\$50,000)

**Closing Contingency:** Rezoning to allow for proposed use

**Economic Benefits:**

- Up-front purchase price of \$500,000 to City / Richmond Public Schools
- Projected annual City tax revenue of ≥ \$250,000
- Over \$45 million in investment
- Leveraging over \$20 million in state and federal funds
- Estimated 150+ construction jobs
- New high-quality energy-efficient affordable housing for over 235 households

Project Contact:

Brian K. Jackson, Esquire  
Hirschler  
2100 E. Cary Street  
Richmond, VA 23223  
804.771.9545  
[Bjackson@hirschlerlaw.com](mailto:Bjackson@hirschlerlaw.com)





## OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

**DATE:** March 14, 2022

**TO:** Mayor Levar M. Stoney  
Members of Richmond City Council

**FROM:** J. E. Lincoln Saunders, Chief Administrative Officer *JELS*

**CC:** Sharon L. Ebert – DCAO, Economic & Community Development and Planning  
Leonard L. Sledge – Director, Department of Economic Development  
Matthew A. Welch – Senior Policy Advisor  
Yvette A. Preston – Real Estate Analyst  
Neil R. Gibson – Senior Assistant City Attorney

**RE:** Receipt of Unsolicited Offer for City-owned Real Estate Located at 2200 Ingram Avenue (Former Oak Grove Elementary School)

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Pursuant to City Code section 8-58(a), please find this memorandum as notification of an unsolicited offer for the purchase of certain city-owned real estate, as described herein, recently submitted to the City.

### SUBJECT PROPERTY

**Address:** 2200 Ingram Avenue (8<sup>th</sup> Council District)

**Parcel Number:** S0000863001

**Acreage:** 5.108 acres

**Assessed Value:** \$2,557,000 = Total Value (Assessment Year 2022)  
\$734,000 = Assessed Land Value (Assessment Year 2022)  
+ \$1,823,000 = Assessed Improvement Value (Assessment Year 2022)  
Total: \$2,557,000

**Zoning:** R-5

**Current Use/Description:** Not currently in use. A currently vacant building that was formerly Oak Grove Elementary school is located on the Subject Property.

**Additional Info:**

- Formerly Used as School/Deeded to City by RPS - As approved by a surplus resolution adopted by the School Board, Richmond Public Schools (RPS) conveyed to the City any and all interest RPS held in the Subject Property via quitclaim deed recorded in 2018. The City accepted such quitclaim deed pursuant to Ordinance No. 2017-235, adopted unanimously by City Council on Jan. 8, 2018.



## OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

- Surplus City-owned Real Estate – The Subject Property is listed on the “2020 Biennial Real Estate Strategies Plan” submitted to City Council in accordance with City Code section 8-56(c) and subsequently approved by City Council via adoption of Res. No. 2021-R024, which approval deemed the parcels listed on such plan (including the Subject Property) as “surplus real estate” per City Code section 8-56(c).

Specifically, the 2020 Biennial Real Estate Strategies Plan includes the Subject Property in the subset of parcels labeled as “Category Two” (“Parcels + Assemblages of parcels with potential for future affordable multi-family rental units”).

### UNSOLICITED OFFER

Offeror: Maggie Walker Oak Grove Partners, LLC (contact – Brian K. Jackson, Esquire)

\*Maggie Walker Oak Grove Partners, LLC is described in the offer letter as a “partnership between the Maggie Walker Community Land Trust and Lynx Ventures”

Purchase Price: \$500,000

*Note – Pursuant to City Code section 12-42(b)(1), the Director of Finance is required to credit funds received for the sale of former “school properties” (such as the Subject Property) to a special reserve assigned to support public schools.*

Proposed Use: Offeror proposes to transform the 5.108 acres of the vacant Oak Grove School into new high-quality energy-efficient affordable housing to be sold and leased to over 235 households.

- 220+ multifamily rental units reserved for households making an average of 60% of AMI
- 15+ townhomes/condos for sale to families at or below 80% of AMI

Additional Info:

- Capital Investment – Offeror projects a total capital investment of over \$45M leveraging over \$20M in state and federal funds.
- Jobs – Offeror projects 150+ construction jobs.
- Tax Revenue – Offeror projects \$250,000+ in annual City tax revenue.



## OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

*Note – Pursuant to City Code section 12-42(b)(3), the Director of Finance is required to credit funds received for payment of real estate taxes from former “school properties” (such as the Subject Property) to a special reserve assigned to support the “educational curriculum and programing of public schools in the city.”*

City staff from Real Estate Services will review the offer in greater detail and follow up with additional information as appropriate.

Please note that City Code section 8-58(c) states: “No ordinance to direct the sale of real estate to an offeror who has submitted an unsolicited offer may be introduced until the Council has adopted a resolution declaring such real estate to be surplus as described in Section 8-60” and “[t]he Council shall not act upon an unsolicited offer in accordance with Section 8-65 and other applicable provisions of this article until the Chief Administrative Officer first has proceeded in accordance with either Section 8-61 [Solicitation of offers by invitation for bids] or Sections 8-62 [Solicitation of offers by request for proposals – generally] and 8-63 [Solicitation of offers by request for proposals – Evaluation of proposals].”

In this case, the Subject Property has been deemed surplus pursuant to Res. No. 2021-024; however, no solicitation process has yet been initiation in accordance with City Code section 8-61 or 8-62 and 8-63. (Note that this is the second unsolicited offer that the City has received this year for this parcel of real estate.)

Real Estate Services has followed up with the Offeror to acknowledge receipt of offer and explained that City Code requires a competitive solicitation process be conducted before the property can be sold.

### Attachments:

- Offer Letter (from Erica Sims, Chief Executive Officer with Maggie Walker Community Land Trust and Bernard Harkless, Principal with Lynx Ventures, Inc.) and Proposal Outline attached thereto
- Concept Study Map dated March 8, 2022
- Copy of a Good Faith Deposit Check