



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Council Chief of Staff

Finance & Economic Development Standing Committee

July 18, 2024

Legislative Summary

Previous Meeting: June 20, 2024

Next Meeting: August 15, 2024

Paper(s) for Consideration

1. **ORD. 2024-183**

Patron: Mayor Stoney

To amend Ord. No. 2024-099, adopted May 13, 2024, which adopted the Fiscal Year 2024-2025 General Fund Budget and made appropriations pursuant thereto, to (i) transfer \$1,000,000.00 from the Non-Departmental agency Eviction Diversion Program, (ii) create a new line item entitled "Non-Departmental Eviction Diversion Program - Southside Community Development and Housing Corporation" in the Non-Departmental agency, and (iii) appropriate such \$1,000,000.00 to such new line item in the Non-Departmental agency for the purpose of providing funding to the Southside Community Development and Housing Corporation for the implementation of the City's Eviction Diversion Program.

Key Points:

- A.** On March 27, 2024, Mayor Stoney proposed \$1,000,000.00 to support the continuation of the EDP. On May 13, 2024, City Council adopted the Fiscal Year 2024-2025 General Fund budget, which authorized the dedicated funding for the fiscal year commencing July 1, 2024.
- B.** Non-Departmental Reserve Transfer:
 - a. Current line item: Eviction Diversion Program o Total = \$1,000,000.000
 - b. New line item: Non-Depart - Eviction Diversion Program - Southside Community Development and Housing Corporation o Total = \$1,000,000.00

Fiscal Impact: None. Yes. Funds were allocated through the FY25 budget proposal and adoption process.

2. **ORD. 2024-184**

Patron: Mayor Stoney



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To authorize the Chief Administrative Officer to submit a PY 2024 / FY 2025 Annual Action Plan to the U. S. Department of Housing and Urban Development (HUD) as an application for the receipt of Community Development Block Grant (CDBG) funds, HOME Investment Partnership (HOME) funds, Emergency Solutions Grant (ESG) funds and Housing Opportunities for Persons with AIDS (HOPWA) funds; to accept funds from the U. S. Department of Housing and Urban Development in the total amount of \$9,584,765.00; and to appropriate \$9,584,765.00 for various projects.

Key Points:

- A. Council's action will approve the FY 2025 budget for ESG fund programs to include HOME and HOPWA programs and the required HUD Program Year 2024 Annual Action Plan of the Five-Year Consolidated Plan 2021-2025. The budget and plans must be submitted to HUD by June 30, 2024.
- B. All the Plans have goals to provide inclusive housing options throughout the City, eliminate blight through rehabilitation, increase homeownership, strengthen neighborhoods and small businesses, assist families and individuals to have homelessness as a brief, rare, and non-recurring event, and provide assistance to families and individuals who are in need.

Fiscal Impact: None Yes The Entitlement funds received from HUD, and surplus (carryover) funds.

3. ORD. 2024-185

Patron: Mayor Stoney

To amend Ord. No. 2019-188, adopted Jul. 22, 2019, as previously amended by Ord. No. 2020-094, adopted May 11, 2020, and Ord. No. 2021-268, adopted Oct. 11, 2021, and to amend Ord. No. 2020-164, adopted Aug. 10, 2020, as previously amended by Ord. No. 2020-191, adopted Sept. 28, 2020, Ord. No. 2021-089, adopted Apr. 26, 2021, Ord. No. 2021-184, adopted Jul. 26, 2021, Ord. No. 2021-268, adopted Oct. 11, 2021, Ord. No. 2022-300, adopted Nov. 7, 2022, and Ord. No. 2023-182, adopted Jun. 26, 2023, which authorized the Chief Administrative Officer to submit original and amended Fiscal Year 2020 Consolidated Annual Action Plans to the U. S. Department of Housing and Urban Development as an application for the receipt of Community Development Block Grant (CDBG) funds, HOME Investment Partnership (HOME) funds, Emergency Solutions Grant (ESG) funds and Housing Opportunities for Persons with AIDS (HOPWA) funds; accepted funds from the U. S. Department of Housing and Urban Development in total amount of \$15,027,206.00 and appropriated \$16,854,300.00 for various projects, to



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reappropriate \$271,135.00 from surplus and reprogrammed CDBG-CV funds, for the purpose of providing funds to The Daily Planet, Inc., CARITAS, and YWCA Richmond, for homeless men and family shelters.

Key Points:

- A.** The US Department of Housing and Urban Development previously awarded CDBG-CV funding to the City of Richmond. This money was accepted and awarded to approved projects. The approved projects had remaining funds they did not use, which are being reprogrammed.
- B.** City Administration is proposing that \$271,135 of surplus and reprogrammed funds be awarded to the Daily Plan Health Services (DPHS)-\$121,135, CARITAS-\$100,000 and the YWCA Richmond-\$50,000 for various projects/programs.
- C.** The City is proposing to award the surplus, reprogrammed CDBG-CV funds to projects that will help to meet the ongoing need to provide medical services and facilities that will assist in mitigating the spread of COVID and various post-COVID variants among the City of Richmond's unsheltered residents.

The allocation of the surplus and reprogrammed CDBG-CV funds is outlined below:

Program: Community Development Block Grant Cares Funds-(CDBG-CV)

Total CDBG-CV allocation: \$271,135

1. Increasing Access to Care: Integrated Medical Outreach- (Daily Planet Health Services- DPHS)- **allocated \$121,135**
2. The Dinwiddie Avenue Remodel (CARITAS)-**allocated \$100,000**
3. Mitigating COVID-19 (YWCA Richmond)-**allocated \$50,000**

Fiscal Impact: None Yes. No negative fiscal impact. The requested funds are available for appropriation.

4. ORD. 2024-186

Patron: Ms. Lynch, President Nye,
Ms. Robertson, Mayor Stoney

To amend City Code 21-4, concerning definitions related public procurement, and to amend Ch. 21, art. II, by adding therein new section 21-74, concerning the payment of prevailing wages for certain construction contracts, as authorized by Va. Code 2.2-4321.3(C).



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Key Points:

- A. The Virginia General Assembly during its 2020 session amended the Virginia Public Procurement Act (VPPA) to provide Virginia localities the non-mandatory option to implement local prevailing wage programs for public works contracts valued at more than \$250,000.

Fiscal Impact: None Yes

The total fiscal impact of a prevailing wage program is difficult to estimate with any degree of certainty. The City is likely to see some impact on the pricing for construction contracts, both due to increases in wage rates as well as from increased administration costs. However, this cannot be determined with any level of certainty at the present time

5. ORD. 2024-187

Patron: Mr. Addison

To amend City Code 26-871, concerning the establishment of annual license taxes, and 26-873, concerning exemptions to license taxes, to increase the threshold for business, professional and occupational license taxes from \$250,000.00 to \$500,000.00.

Key Points:

- A. In February 2022, the BPOL threshold was increased from \$100,000 to \$250,000 via legislative action. By increasing this threshold, more Richmond businesses would be added to the population of businesses which pay a \$30 flat fee as opposed to their higher BPOL taxes.
- B. The goal of this proposed ordinance is to increase the number of Richmond businesses that pay no tax/fee or pay a minimal fee by raising the threshold to \$500,000.

Fiscal Impact: None Yes

Estimated \$1.024M revenue loss for the City of Richmond. No revenue replacement plan was submitted.

6. ORD. 2024-188

Patron: Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Fiscal Agency Agreement between NextUp RVA and City of Richmond for



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the purpose of authorizing NextUp RVA to act as a fiscal agent on behalf of the City to facilitate funding for the Department of Parks, Recreation and Community Facilities' 2024 CarMax Basketball Youth Development and Summer Camp program.

Key Points:

- A. To authorize the Chief Administrative Officer to enter into a Fiscal Agency Agreement allowing NextUp RVA to act as the fiscal agent on behalf of the City, and to authorize the acceptance of funds in the amount of \$58,510.00 from NextUp RVA.

Fiscal Impact: None Yes

The FY2024-2025 General Fund Budget will be amended to accept funds and appropriate \$58,510.00 of funds to the Other Operating category in the Operating Budget of the General Fund for Parks, Recreation and Community Facilities.

7. ORD. 2024-191

Patron: Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept funds in the amount of \$10,000,000.00 from the United States Department of Transportation, Pipeline and Hazardous Material Safety Administration, and to amend the Fiscal Year 2024-2025 Gas Utility Budget, which appropriated the estimated receipts of the gas utility, by increasing estimated receipts and the amount appropriated for the gas utility by \$10,000,000.00, for the purpose of providing funding for the repair, rehabilitation, and replacement of natural gas pipelines and related equipment.

Key Points:

- A. By accepting this grant, Richmond Gas Works will receive \$10,000,000.00 to help offset costs associated with the Richmond Gas Works Cast Iron Renewal Program or accelerate the Richmond Gas Works Cast Iron Renewal Program.
- B. Richmond Gas Works is honored to have been selected and awarded the maximum amount allowable by PHMSA, \$10,000,000.00.

Fiscal Impact: None Yes

8. ORD. 2024-192

Patron: Mayor Stoney



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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, 95 APTS 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 506 Maury Street.

Key Points:

- A. The Grant Agreements will induce the Recipients to construct and operate development projects that will result in significant investment and economic development and will promote safe and affordable housing in the City.
- B. To qualify for grant payments, the Projects each must include at least the number of residential units that restrict occupancy and rents to identified AMIs, according to standards promulgated by the State Housing Finance Agency (i.e., Virginia Housing), for a minimum of thirty (30) years.

Fiscal Impact: None Yes

There are no direct fiscal implications as the grant payments are solely limited to incremental tax revenues above and beyond the identified baselines of current real estate tax revenues received by the City for such baselines for each of the projects.

9. ORD. 2024-193

Patron: Mayor Stoney

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, 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.

Key Points:

- A. The Grant Agreements will induce the Recipients to construct and operate development projects that will result in significant investment and economic development and will promote safe and affordable housing in the City.
- B. To qualify for grant payments, the Projects each must include at least the number of residential units that restrict occupancy and rents to identified AMIs, according to standards promulgated by the State Housing Finance Agency (i.e., Virginia Housing), for a minimum of thirty (30) years.

Fiscal Impact: None Yes



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There are no direct fiscal implications as the grant payments are solely limited to incremental tax revenues above and beyond the identified baselines of current real estate tax revenues received by the City for such baselines for each of the projects.

10. ORD. 2024-194

Patron: Mayor Stoney

To amend and reordain City Code §§ 11-34, concerning administration and enforcement of ch. 11, art. II, 11-37, concerning violations of ch. 11, art. II, and 11-38 concerning the penalties for violation of ch. 11, art. II, for the purpose of modifying the City's sound control program.

Key Points:

- A. The objective of updating the current Sound Control ordinance is to (1) specify the means by which an alleged noise violation may be reported, (2) remove those violations that which Richmond Police cannot practically enforce due to the transition of the ordinance from criminal to civil, and (3) clarify the process to either pay the civil penalty or contest the alleged noise violation.
- B. Amending the ordinance to a civil penalty from a criminal offense re-moved Richmond Police officers' ability to initiate a traffic stop on vehicles for noise violations because probable cause can no longer serve as the basis for the stop given the civil nature of the ordinance

Fiscal Impact: None Yes

Generation of revenue to the City of Richmond derived from civil penalties paid by residents found to be in violation of the ordinance.

Committee Follow-up

Fiscal Activities Calendar Items for July 2024:

- Monthly Reporting: HR Vacancies and Over Time Report
- Monthly Reporting: Financial Synopses

Follow-up Requests from Prior Standing Committee Meeting – June 2024:

ARPA Presentation - Follow up with Admin on time to discuss ARPA 1v1 (Sabrina Joy-Hogg)



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- Construction contracts award to minority vendors (ARPA)
- What businesses have been awarded the contract form ARPA?

Item 4: Amendment to Budget Appropriations: Questions based on fire department overtime.

- Provide an update/status of the overtime review (reply as email)
- Update on RPD & RFD positions needed and where they are with recruitment. Requesting retention and recruitment information for departments experiencing overtime for RFD and RPD (Sabrina Joy-Hogg/Meghan Brown)

Item 9: Removal of service charges

- Provide timeline on the transition period between the old system and the new system; how the changes will be announced; and readiness of infrastructure and staffing needs for the rollout (Sheila White)