

INTRODUCED: August 15, 2016

AN ORDINANCE No. 2016-208

To amend Ord. No. 2016-053, adopted May 13, 2016, which adopted a General Fund Budget for Fiscal Year 2016-2017 and made appropriations pursuant thereto, to transfer funds in the amount of \$500,000 from the Department of Economic and Community Development agency and to appropriate \$500,000 to a new line item in the Non-Departmental agency called the “RRHA East End Grocery Store” line item for the purpose of making a grant pursuant to Va. Code § 36-7 to the Richmond Redevelopment and Housing Authority to assist with the development of a full-service grocery store at the intersection of North 25th Street and Nine Mile Road in the city of Richmond.

Patron – Mayor Jones

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: SEPT 15, 2016 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Ordinance No. 2016-053, adopted May 13, 2016, which adopted a General Fund Budget for the fiscal year commencing July 1, 2016, and ending June 30, 2017, and made appropriations pursuant thereto, is hereby amended by transferring funds in the amount of \$500,000 from the Department of Economic and Community Development agency and appropriating funds in the amount of \$500,000 to a new line item in the Non-Departmental agency called the “RRHA East End Grocery Store” line item for the purpose of making a grant pursuant to section 36-7 of the Code of Virginia (1950), as amended, to the Richmond Redevelopment and

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: SEPT 12 2016 REJECTED: _____ STRICKEN: _____

Housing Authority to assist with the development of a full-service grocery store at the intersection of North 25th Street and Nine Mile Road in the city of Richmond.

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

JUL 29 2016



CITY OF RICHMOND
INTRACITY CORRESPONDENCE

Chief Administration Office
City of Richmond

4.5462

O&R REQUEST

DATE: July 29, 2016

EDITION: 1

TO: Members of City Council

THROUGH: Mayor Dwight C. Jones

PCJ
SLG

THROUGH: Selena Cuffee-Glenn, CAO

THROUGH: Lenora Reid, Deputy CAO for Finance *LR*

THROUGH: Jay Brown, Budget Director *JB*

FROM: Peter L. Downey Jr., Deputy CAO for Economic and Community Development *PLD*

RE: Amendment to the City's FY2017 General Fund, Non Departmental Budget, by transferring \$500,000 from the Department of Economic and Community Development FY17 General Fund Budget and appropriating an additional \$500,000 to a new Non Departmental entity titled RRHA East End Grocery Store.

RECEIVED

AUG 01 2016

OFFICE OF CITY ATTORNEY

ORD. OR RES. No.

PURPOSE: To amend the FY2017 General Fund Budget (Ord. 2016-053) by transferring \$500,000 from the Department of Economic and Community Development FY17 General Fund budget, and appropriating \$500,000 to a new Non Departmental entity titled RRHA East End Grocery Store.

REASON: This paper would transfer \$500,000 from the Department of Economic and Community Development FY17 General Fund budget to a new entity within the Non Departmental Budget titled RRHA East End Grocery Store.

The funding will be used to support the development of a full-service grocery store at the intersection of 25th Street and Nine Mile Road in the City of Richmond's East End. This development represents an important component of the City's overall East End Redevelopment Strategy.

O & R Request

BACKGROUND: The United States Department of Agriculture's Economic Research Service has identified the north Church Hill area in Richmond's East End as a low income/low food access food desert in its Food Access Research Atlas. The area is marked by high unemployment and severe poverty rates. The City, in partnership with the Richmond Redevelopment and Housing Authority and private investors, is working to develop the property at the center of this area, located on the north side of Fairmount Avenue and Nine Mile Road, and bisected by North 25th Street, as a mixed-use development anchored by a full-service grocery store, in order to mitigate the food access, unemployment, and poverty issues of the East End area. The mixed-use development would also include other retail space and 25 residential units. A conceptual plan for the development is attached.

The proposed mixed-use development will incorporate approximately \$26 million in private investment, and when in full operation, will create approximately 30 full-time employees and 30 to 50 part-time employees. The grocery store component of the development will account for no less than \$10,000,000 of the overall project.

The RRHA will use these funds, working with private investors, to assist in the development of the property. This development is a crucial component of the overall East End Revitalization plan and City efforts to deconcentrate poverty through the creation of a mixed-use, mixed-income community.

RECOMMENDATION: The City Administration recommends approval.

FISCAL IMPACT/COST TO CITY: \$500,000 transferred to RRHA

REVENUE TO CITY: Increased tax revenue from real estate, business property, sales and BPOL taxes. These taxes are not currently being received as the proposed development property is a vacant parcel.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: August 15, 2016

CITY COUNCIL PUBLIC HEARING DATE: September 12, 2016

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance & Economic Development

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: n/a

AFFECTED AGENCIES: Budget & Strategic Planning

RELATIONSHIP TO EXISTING ORD. OR RES.: This O&R request accompanies O&R requests for Re-zoning of the property upon which the development will occur and street closures necessary to accommodate the development.

O & R Request

REQUIRED CHANGES TO WORK PROGRAM(S): None

STAFF: Lee Downey, Deputy CAO for Economic and Community Development (804-646-4848)