

INTRODUCED: January 27, 2020

A RESOLUTION No. 2020-R009

To request that the Mayor withdraw the existing Navy Hill ordinances and conduct a new request for proposals process.

Patrons – Ms. Larson, Ms. Gray, Ms. Lynch, Vice President Hilbert, and Ms. Trammell

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: FEB 10 2020 AT 6 P.M.

WHEREAS, on August 5, 2019, the Mayor introduced Ordinance Nos. 2019-211, 2019-212, 2019-213, 2019-214, 2019-215, 2019-216, 2019-217, 2019-218, and 2019-219, and Resolution No. 2019-R044, concerning the development of Navy Hill (hereinafter, the “Navy Hill Development Project”); and

WHEREAS, it is the sense of the Council that the approximately \$1,500,000,000.00 Navy Hill Development Project is a major undertaking for the City of Richmond; and

WHEREAS, upon the information and belief of the Council, the original private sector concept for the Navy Hill Development Project was known prior to the issuance of a request for proposals by the City; and

AYES: 5 NOES: 2 ABSTAIN: 2

ADOPTED: FEB 10 2020 REJECTED: _____ STRICKEN: _____

WHEREAS, on November 9, 2017 the City of Richmond issued a request for proposals (hereinafter, “Request for Proposals”), which was referred to therein as the North of Broad/Downtown Neighborhood Redevelopment Project, with a required response deadline of February 9, 2018; and

WHEREAS, it is the sense of the Council that the 92-day period allowed for submission of responses to the Request for Proposals may have been too short for development of alternative proposals for such a large and complex project; and

WHEREAS, upon the information and belief of the Council, the uses identified in the Request for Proposals are modeled on the original private sector proposal; and

WHEREAS, the City has not completed either the Richmond 300 comprehensive plan to establish a comprehensive vision for the future development of the city, or a recent planning process for the Navy Hill area with public input; and

WHEREAS, the Request for Proposals for the Navy Hill Development Project included a requirement for the demolition and replacement, or rehabilitation, of the Richmond Coliseum; and

WHEREAS, at the time that the Request for Proposals for the Navy Hill Development Project was issued, the Council had not taken an official position on requesting the demolition and replacement, or rehabilitation, of the Richmond Coliseum; and

WHEREAS, it is the sense of the Council that the inclusion of the requirement for the demolition and replacement, or rehabilitation, of the Richmond Coliseum may have further limited the number and variety of proposals received in response to the Request for Proposals; and

WHEREAS, it is the sense of the Council that concerns have been raised surrounding the size and future impact of the proposed increment financing area as set out in Ordinance No. 2019-212, which proposes to create the Navy Hill Fund; and

WHEREAS, no appraisals have been conducted for the City-owned parcels proposed to be included in the Navy Hill Development Project and no such City-owned parcels have been declared surplus; and

WHEREAS, upon the information and belief of the Council, a minimum number of affordable housing units and a new Greater Richmond Transit Company transfer center were not included in the Request for Proposals, but were added during negotiations with the sole respondent; and

WHEREAS, it is the sense of the Council that the ordinances and agreements proposed to implement the Navy Hill Development Project do not sufficiently preserve the prerogative of the Council to review and approve future changes to the project; and

WHEREAS, the Council is in favor of developing the City-owned parcels proposed to be included in the Navy Hill Development Project going forward and hereby endorses a fair, clear, and transparent process that encourages and promotes their development according to existing laws, policies, and procedures of the City and follows best practices for all future economic development proposals;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That the Council requests that the Mayor withdraw the existing Navy Hill Development Project ordinances.

BE IT FURTHER RESOLVED:

That the Council requests that the Chief Administrative Officer direct completion of a Navy Hill area plan prior to issuance of any future request for proposals for redevelopment of the land within the Navy Hill Development Project area, which area plan shall be consistent with the

Richmond 300 comprehensive plan, and include, at a minimum, (i) robust, citywide public input; (ii) appraisals of all City-owned parcels in the affected area; and (iii) a comprehensive assessment of existing and required public infrastructure in the affected area.

BE IT FURTHER RESOLVED:

That the Council further requests that the Mayor initiate a completely new request for proposals process for redevelopment of the land within the Navy Hill Development Project area that, at a minimum:

1. Incorporates the provisions of the aforementioned Navy Hill area plan.
2. Incorporates public input and solicitation of ideas during the formulation of the request for proposals.
3. Allows for development of one or more or all of the parcels identified in the new Navy Hill development project area by one or multiple developers.
4. Allows for development that may, or may not, require the demolition and replacement, or rehabilitation, of the Richmond Coliseum.
5. Allows the option for regional participation if demolition and replacement, or rehabilitation, of the Richmond Coliseum is found to be desirable.
6. Requires that any housing component of the new Navy Hill Development Project shall meet the requirement that a minimum of 15 percent of the resulting housing units be affordable housing as set out in Resolution No. 2018-R083, adopted February 11, 2019.
7. Requires a new Greater Richmond Transit Company transfer center either within, or outside of, the Navy Hill Development Project area.
8. Requires that any development agreement to implement the new Navy Hill development project shall include provisions, to the extent permitted by law, establishing

minimum participation by small businesses, women-owned businesses, and minority-owned businesses as defined in section 2.2-4310 of the Code of Virginia (1950), as amended.

9. Endeavors to restrict the increment financing area, if any, to the new Navy Hill development project area itself or to parcels immediately adjacent thereto.

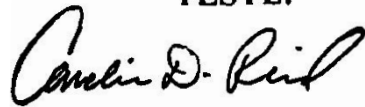
10. Provides for a schedule that allows sufficient time for qualified respondents to examine the requirements set out in the request for proposals and to submit a proposal that meets such requirements.

11. Provides for a timeline for the consideration of proposals received in response to the request for proposals that requires the successful respondent, or respondents, and the City's Administration to report regularly to the Council on the status of any negotiations and progress on the project or projects.

12. Preserves the prerogative of the Council to review and approve future changes to the new Navy Hill development project.

A TRUE COPY:

TESTE:

A handwritten signature in black ink that reads "Amelia D. Reed". The signature is written in a cursive style with a large initial 'A'.

City Clerk



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Council Chief of Staff

Ordinance/Resolution Request

TO Haskell C. Brown, III, Interim Richmond City Attorney
Richmond Office of the City Attorney

THROUGH Lawrence R. Anderson *LA*
Council Chief of Staff

FROM William E. Echelberger, Jr, Council Budget Analyst *WE*

COPY Kristen N. Larson, 4th District Representative
Kimberly B. Gray, 2nd District Representative
Tabrica C. Rentz, Interim Deputy City Attorney
Aaron Bond, 4th District Liaison
Craig K. Bieber, 2nd District Liaison
Meghan K. Brown, Deputy Council Chief of Staff *MB*

DATE January 3, 2020

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TITLE Reprise the Navy Hill Development RFP Process

This is a request for the drafting of an Ordinance Resolution

REQUESTING COUNCILMEMBER/PATRON

Kristen N. Larson, 4th District
Representative
Kimberly B. Gray, 2nd District
Representative

SUGGESTED STANDING COMMITTEE

Organizational Development

ORDINANCE/RESOLUTION SUMMARY

The Patron requests a resolution to request that:

1. The Mayor withdraw the existing Navy Hill Development Project ordinances, and
2. The Chief Administrative Officer shall direct completion of a Navy Hill Area Plan prior to issuance of any future Request for Proposals for redevelopment of the Navy Hill Development Project area, and
3. The Mayor initiate a completely new Request for Proposals process for redevelopment of the Navy Hill Development Project area that, at a minimum:
 - a. Incorporates the provisions of the required Navy Hill Area Plan; and
 - b. Incorporates public input and solicitation of ideas during the formulation of the Request for Proposals; and
 - c. Allows for development of one or more or all of the parcels identified in the Navy Hill Development Project by one or multiple developers; and

- d. Allows for development that may, or may not, include the requirement for the demolition and replacement, or rehabilitation, of the Richmond Coliseum; and
- e. Requires regional participation if demolition and replacement, or rehabilitation, of the Richmond Coliseum is found to be desirable; and
- f. Requires that any housing component of the Navy Hill Development Project shall meet the requirement that a minimum of fifteen percent (15.0%) of the resulting housing units be affordable housing, as set out in Resolution No. 2018-R083, and
- g. Requires a new GRTC transfer center either within, or outside of, the Navy Hill Development Project area itself; and
- h. Requires that any development agreement to implement the new Navy Hill Development Project shall include enforceable provisions establishing minimum participation by Small, Woman, and Minority (SWAM) owned businesses, and
- i. Endeavors to restrict the Increment Financing Area, if any, to the Navy Hill Development Project area itself, or parcels immediately adjacent thereto, and
- j. Sets out a schedule that allows sufficient time for qualified respondents to examine the requirements set out in the Request for Proposal, and submit a proposal that meets them; and
- k. Sets out a timeline for the consideration of proposals received in response to the Request for Proposals that requires the successful respondent, or respondents, and the Richmond City administration to report regularly to the City Council on the status of any negotiations, and the progress on the project, or projects; and
- l. Preserves the prerogative of Richmond City Council to review and approved future changes to the project.

BACKGROUND

Summary:

- The Navy Hill Development Proposal is an approximately \$1.45 billion redevelopment located in the City of Richmond.
- The legislation for the existing Navy Hill Development Proposal was introduced on August 5, 2019. The proposed legislation includes: ORD. 2019-211, ORD. 2019-212, ORD. 2019-213, ORD. 2019-214, ORD. 2019-215, ORD. 2019-216, ORD. 2019-217, ORD. 2019-218, ORD. 2019-219, and RES. 2019-R044,
- This legislation was the culmination of a review and negotiation process undertaken between the City of Richmond Administrations, and the Navy Hill District Corporation.
- The initial RFP for the Navy Hill Development Project was issued on November 9, 2017.
- The Navy Hill Development Corporation submitted a proposal to the Mayor on February 9, 2018.
- A draft of the proposed resolution is attached.

FISCAL IMPACT STATEMENT

Fiscal Impact Yes No

Budget Amendment Required Yes No

Estimated Cost or Revenue Impact

The fiscal impact of the request, if agreed to by the Mayor, cannot be estimated at this time.

Attachment/s Yes No

Richmond City Council Ordinance/Resolution Request Form/updated 10.5.2012 /srs