

INTRODUCED: April 26, 2021

AN ORDINANCE No. 2021-106

To declare surplus and to direct the sale of certain City-owned real estate for nominal consideration to The Maggie Walker Community Land Trust for the purpose of facilitating the redevelopment thereof.

Patron – Mayor Stoney, Vice President Robertson, President Newbille, Ms. Trammell and Ms. Lynch

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAY 10 2021 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the real estate owned by the City of Richmond, with Tax Parcel Numbers as shown in the 2021 records of the City Assessor and on the document entitled “List of City-Owned Parcels Recommended for Sale to MWCLT,” a copy of which is attached to, incorporated into, and made a part of this ordinance, being hereinafter referred to individually each as a “Parcel,” is declared surplus real estate and is directed to be sold for nominal consideration to The Maggie Walker Community Land Trust, as the City’s designated land bank pursuant to Ordinance No. 2017-196, adopted February 26, 2018, for the purpose of facilitating the redevelopment thereof, notwithstanding the provisions of sections 8-58(c) or 8-60 of the Code of the City of Richmond

AYES: 8 NOES: 0 ABSTAIN: _____

ADOPTED: MAY 24 2021 REJECTED: _____ STRICKEN: _____

(2020), as amended, to the contrary, but otherwise in accordance with the applicable provisions of 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, pursuant to section 8-65(b) of the Code of the City of Richmond (2020), as amended, the sale described in section 1 of this ordinance shall be conditioned upon all of the following:

(a) The Maggie Walker Community Land Trust shall develop each Parcel for use as affordable housing or as a community garden, subject to the approval by the Director of Housing and Community Development in accordance with applicable laws and regulations of the submissions made pursuant to subsections (b), (c), (e), and (f) of this section.

(b) The Maggie Walker Community Land Trust shall, within six months after the sale of each Parcel by the City to The Maggie Walker Community Land Trust, submit to the Director of Housing and Community Development a development plan indicating how many residential units will be developed on the Parcel and whether The Maggie Walker Community Land Trust will be the developer of the Parcel or whether The Maggie Walker Community Land Trust will seek proposals from other entities for the development of the Parcel.

(c) For any Parcel that is to be used as a community garden, The Maggie Walker Community Land Trust shall, within 12 months after the sale of each Parcel by the City to the Maggie Walker Community Land Trust, submit to the Director of Housing and Community Development a fully executed agreement with a community organization that has agreed to develop and maintain any such Parcel as a community garden.

(d) For any Parcel that is to be used a community garden that has not been developed as a community garden within 24 months after the sale of any such Parcel by the City to The Maggie Walker Community Land Trust, title to such Parcel shall revert back to the City.

(e) For any Parcel that is to be developed as affordable housing by The Maggie Walker Community Land Trust and not by a third party, The Maggie Walker Community Land Trust shall, within 12 months after the sale of any such Parcel by the City to The Maggie Walker Community Land Trust, submit to the Director of Housing and Community Development a timeline for the development of the residential units requiring that construction of such units will begin within 36 months after the date of the sale of such Parcel by the City to The Maggie Walker Community Land Trust.

(f) For any Parcel that is to be developed as affordable housing by an entity other than The Maggie Walker Community Land Trust, The Maggie Walker Community Land Trust shall, within 24 months after the sale of any such Parcel by the City to The Maggie Walker Community Land Trust, submit to the Director of Housing and Community Development a fully executed development agreement between The Maggie Walker Community Land Trust and such entity that includes a timeline for the development of the residential units requiring that construction of such units will begin within 36 months after the date of the sale of such Parcel by the City to The Maggie Walker Community Land Trust.

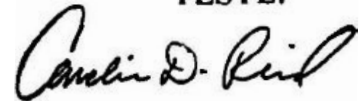
(g) For any Parcel on which affordable housing is to be constructed, title to such Parcel shall revert to the City if construction has not commenced within 36 months or a certificate of occupancy has not been issued within 60 months from the date of the sale of such Parcel by the City to The Maggie Walker Community Land Trust.

§ 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 other documents, all of which must first be approved as to form by the City Attorney, as may be necessary to consummate the sale of each Parcel.

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

A TRUE COPY:

TESTE:

A handwritten signature in black ink, appearing to read "Amelia D. Reil". The signature is written in a cursive style with a large initial 'A'.

City Clerk



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O&R REQUEST

DATE: March 31, 2021

EDITION: 1

TO: The Honorable Members of City Council

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

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

FROM: Sharon L. Ebert, DCAO – Planning, Community & Economic Development Portfolio

RE: To declare surplus and direct the sale of certain City-owned real estate to the Maggie Walker Community Land Trust for the purpose of increasing affordable homeownership housing opportunities in the City of Richmond with a preference to increase homeownership opportunities for income eligible public housing residents and housing choice voucher holders.

ORD. OR RES. No. _____

PURPOSE: An ordinance to (i) declare as surplus real estate the 15 parcels of City-owned real estate listed below (the “Surplus Parcels”) and (ii) to direct the sale of the Surplus Parcels to the Maggie Walker Community Land Trust (“MWCLT”), a 501(c) non-profit organization designated by the Richmond City Council as a “land back entity” pursuant to the Virginia Land Bank Entities Act, for the purpose of increasing affordable homeownership housing opportunities by making such real estate available for development by MWCLT, or through MWCLT in accordance with its mission.

LIST OF CITY-OWNED PARCELS RECOMMENDED FOR SALE TO MWCLT						
Property Address	Tax ID	Council District	Acreage	Total Assessed Value	Zoning	Enterprise Zone
5913 Fergusson Road	W0210283010	1	0.284	\$152,000	R-4	No
3100 Alvis Avenue	N0001044016	3	1.516	\$45,000	R-5	No
429 Pollock Street	N0001258034	3	0.329	\$30,000	R-5	No
410 Pollock Street	N0001258020	3	0.395	\$32,000	R-5	No
431 Hazelhurst Avenue	N0001258001	3	0.314	\$28,000	R-5	No
3201 Hazelhurst Avenue	N0001455010	3	0.288	\$28,000	R-5	No
207 E Ladies Mile Road	N0001550002	3	0.239	\$28,000	R-5	No
6117 Forest Hill Avenue	C0040634022	4	0.329	\$20,000	R-2	No
6109 Forest Hill Avenue	C0040634023	4	0.338	\$11,000	R-2	No
6101 Forest Hill Avenue	C0040634024	4	0.31	\$6,000	R-2	No
1903 Semmes Avenue	S0000302008	5	0.275	\$108,000	B-3	No
1905 Semmes Avenue	S0000302012	5	0.413	\$162,000	B-3	No
3602 Delaware Avenue	N0001267014	6	0.13	\$20,000	R-5	No
1501 Call Street	N0000342001	6	0.067	\$21,000	R-73	No
4809 Old Warwick Road	C0080224022	9	0.308	\$100,000	R-4	No
			5.54	\$791,000		

The sales price for each parcel shall be one dollar. There are 15 parcels to be conveyed to MWCLT for the purchase price of \$15.00. The assessed value of the land represents the City's contribution in reducing the overall total development cost of each residential unit. The sale of each parcel shall be governed by a development agreement that incorporates appropriate provisions ensuring that each parcel is developed and utilized in accordance with MWCLT's mission, including, at a minimum, the following requirements:

1. MWCLT shall developed each parcel for use as affordable housing or a community garden, subject to approval by the City's Department of Housing and Community Development.
2. MWCLT shall submit to the City's Department of Housing and Community Development (HCD) within six months after receipt of each parcel a development plan that indicates how many residential units will be developed on the parcel and whether MWCLT will be the developer of the parcel or whether they will seek proposals from other entities for the development of the parcel;
3. If the parcel is to be used as a community garden, then MWCLT shall submit to the City's Department of Housing and Community Development (HCD) within the twelve months after receipt of each parcel a fully executed agreement with a

- community organization that has agreed to develop and maintain the parcel as a community garden;
4. If a community garden has not been developed on or before twenty-four months on the conveyed parcel, then said parcel shall revert back to the City.
 5. If a parcel is to be developed by MWCLT, then MWCLT shall submit to the City's Department of HCD within twelve months after the conveyance of the parcel a timeline for the development of the residential units that indicates that construction will be begin on or before thirty-six months from date of conveyance;
 6. If MWCLT has not started construction on or before thirty-six months on a conveyed parcel, then said parcel shall revert back to the City.
 7. If a parcel is to be developed by another entity, then MWCLT shall submit to the City's Department of HCD within twenty-four months a fully executed development agreement with the entity that includes a timeline for the development of the residential units that indicates that construction will be begin on or before thirty-six months from date of conveyance;
 8. If the entity has not started construction on or before thirty-six months on a conveyed parcel, then said parcel shall revert back to the City.
 9. If construction of the affordable housing has not received a Certificate of Occupancy from the City on or before sixty months on a conveyed parcel, then said parcel shall revert back to the City.

REASON: An ordinance is necessary for the City to sale and convey the Surplus Parcels to the MWCLT.

RECOMMENDATION: The City Administration recommends approval.

BACKGROUND:

MWCLT is a 501(c)(3) nonprofit organization that seeks to develop and maintain permanently affordable homeownership opportunities for low and moderate-income households. Using the Community Land Trust (CLT) model, the MWCLT creates homes that are sold to qualified buyers while retaining ownership of the land beneath the houses. These homes receive permanent subsidy that stays in the home and allows the home to be sold below market value to another income qualified household. As an affordable alternative to renting, the CLT model allows families to build wealth through their monthly mortgage payments. In exchange for buying the house at a lower price, a CLT homeowner agrees to pass on the gift, and sell the home at a price that is affordable to someone in a similar financial situation. The new resale price is determined by the increase in the Richmond region's Area Median Income (AMI). (Source: <https://maggiewalkerclt.org/about/>) In addition CLT may also use a few of the parcels for community gardens as indicated on the list of parcels. Community gardens offer Richmonders the opportunity to grow their own herbs, vegetables and fruits and community gardens and if the parcel is large enough, the community garden may be a sustainable form of urban farming.

On February 26, 2018, the Richmond City Council unanimously adopted Ordinance No. 2017-196 (As Amended), which designated MWCLT as a "land bank entity" for the City of Rich-

mond. Since 2018, the City has utilized the tax delinquent judicial sale process in order to facilitate MWCLT's acquisition of multiple parcels in the City for the purpose of eliminating blight and making such property available for redevelopment in furtherance of MWCLT's mission to develop and maintain permanently affordable housing. In this case, the Surplus Parcels are already owned by the City and are no longer needed for municipal or public purpose. Conveying the underutilized parcels from the City to MWCLT allows the real estate to better serve the community as it will be used for the important purpose of increasing affordable housing homeownership opportunities within Richmond. It is the desire of the administration that these city-owned parcels be used to promote homeownership opportunities in partnership with the Richmond Redevelopment & Housing Authority for income eligible public housing residents and/or housing choice voucher holders that seek to become homeowners and are either willing or have participated in credit counselling and homeownership training as a pathway to wealth building and greater housing stability.

FISCAL IMPACT / COST: None

FISCAL IMPLICATIONS: Though MWCLT is exempt from real estate taxation and per its model MWCLT retains ownership of the underlying land, the City stands to receive an increase in future revenues due to taxes levied on the improvements built by MWCLT and sold to qualifying homebuyers.

BUDGET AMENDMENT NECESSARY: No.

REVENUE TO CITY: Though MWCLT is exempt from real estate taxation and per its model MWCLT retains ownership of the underlying land, the City stands to receive an increase in future revenues due to taxes levied on the improvements built by MWCLT and sold to qualifying homebuyers.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: April 26, 2021

CITY COUNCIL PUBLIC HEARING DATE: May 24, 2021

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: LUHT

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: Planning Commission

AFFECTED AGENCIES: Housing & Community Development Economic Development, Parks and Recreation, Public Works, Public Utilities, City Attorney's Office

RELATIONSHIP TO EXISTING ORD. OR RES.: N/A

O&R Request

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REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: Map depicting the location of the Surplus Parcels throughout the City.

STAFF: Paul McClellan, Community and Economic Development Administrator for Real Estate Strategies

List of City-own parcels recommended for sale to MWCLT



- List of City-own parcels recommended for sale
- Public Open Space
- Water
- - - City Boundary



DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

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