

INTRODUCED: January 13, 2020

AN ORDINANCE No. 2020-011

As Amended

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute appropriate documents releasing the Richmond Redevelopment and Housing Authority and its successors in interest from the reversionary right of the City contained in a certain quit claim deed concerning the properties formerly known as [~~4446~~] 1611 North 31<sup>st</sup> Street and 1501 North 31<sup>st</sup> Street for the purpose of allowing the Richmond Redevelopment and Housing Authority to develop portions of the properties as single-family residential units offered for sale to the public and to ensure that eight such parcels be developed as single-family affordable housing units offered for sale to qualified purchasers.

\_\_\_\_\_  
Patron – Mayor Stoney

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

PUBLIC HEARING: JAN 27 2020 AT 6 P.M.

WHEREAS, pursuant to Ordinance No. 2015-46-48, adopted March 2, 2015, the Chief Administrative Officer, for an on behalf of the City, executed a Quit Claim Deed, dated January 23, 2017, and recorded in the land records of the Circuit Court of the City of Richmond on January 26, 2017, as Instrument No. 17-1669, by which the City conveyed to the Richmond Redevelopment and Housing Authority the properties known as 1501 North 31<sup>st</sup> Street and [~~4446~~] 1611 North 31<sup>st</sup> Street, with Tax Parcel Nos. E000-1096/019 and [~~E000-0627/054~~] E000-1092/009, respectively; and

AYES:                    8                    NOES:                    0                    ABSTAIN:                    1

ADOPTED: FEB 24 2020                    REJECTED: \_\_\_\_\_                    STRICKEN: \_\_\_\_\_

WHEREAS, the Richmond Redevelopment and Housing Authority has subdivided the aforesaid properties; and

WHEREAS, the City desires to allow the Richmond Redevelopment and Housing Authority to develop portions of the properties formerly known as 1501 North 31<sup>st</sup> Street and [~~1116~~] 1611 North 31<sup>st</sup> Street, with Tax Parcel Nos. E000-1096/019 and [~~E000-0627/054~~] E000-1092/009, respectively, as single-family residential units offered for sale to the public rather than as a mixed-income rental housing development and believes that releasing the Richmond Redevelopment and Housing Authority from the reversionary right of the City contained in the aforementioned Quit Claim Deed would expand the range of redevelopment options for the properties formerly known as 1501 North 31<sup>st</sup> Street and [~~1116~~] 1611 North 31<sup>st</sup> Street, with Tax Parcel Nos. E000-1096/019 and [~~E000-0627/054~~] E000-1092/009; and

WHEREAS, the City desires to require the Richmond Redevelopment and Housing Authority to develop eight such parcels in the Church Hill North revitalization project as single-family affordable housing units offered for sale to qualifying purchasers; and

WHEREAS, the City further believes that the City's release of the Richmond Redevelopment and Housing Authority and its successors in interest from the reversionary right of the City contained in the aforementioned Quit Claim Deed and from certain related requirements, limitations, and conditions would facilitate this expansion of redevelopment options;

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to release the Richmond Redevelopment and Housing Authority and its successors in interest from the reversionary right of the City contained in the Quit Claim

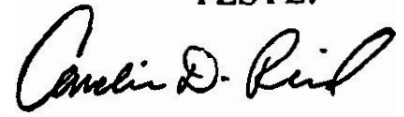
Deed, dated January 23, 2017, and recorded in the land records of the Circuit Court of the City of Richmond on January 26, 2017, as Instrument No. 17-1669, by which the City conveyed to the Richmond Redevelopment and Housing Authority the properties known as 1501 North 31<sup>st</sup> Street and ~~[4446]~~ 1611 North 31<sup>st</sup> Street, with Tax Parcel Nos. E000-1096/019 and ~~[E000-0627/054]~~ E000-1092/009, respectively, pursuant to an appropriate document approved as to form by the City Attorney for the purpose of allowing the Richmond Redevelopment and Housing Authority to develop portions of the properties formerly known as 1501 North 31<sup>st</sup> Street and ~~[4446]~~ 1611 North 31<sup>st</sup> Street, with Tax Parcel Nos. E000-1096/019 and ~~[E000-0627/054]~~ E000-1092/009, respectively, as single-family residential units offered for sale to the public rather than as a mixed-income rental housing development.

§ 2. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to release the Richmond Redevelopment and Housing Authority and its successors in interest from the reversionary right of the City contained in the Quit Claim Deed, dated January 23, 2017, and recorded in the land records of the Circuit Court of the City of Richmond on January 26, 2017, as Instrument No. 17-1669, by which the City conveyed to the Richmond Redevelopment and Housing Authority the properties formerly known as 1501 North 31<sup>st</sup> Street and 1611 North 31<sup>st</sup> Street, with Tax Parcel Nos. E000-1096/019 and ~~[E000-0627/054]~~ E000-1092/009, respectively, upon the transfer of eight certain parcels by a deed substantially in the form of the deed attached to this ordinance entitled “Quit Claim Deed,” pursuant to an appropriate document approved as to form by the City Attorney for the purpose of allowing the Richmond Redevelopment and Housing Authority to develop eight parcels in the Church Hill North revitalization project as single-family affordable housing units offered for sale to qualifying purchasers.

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

**A TRUE COPY:**

**TESTE:**

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

**City Clerk**



CITY OF RICHMOND
INTRACITY CORRESPONDENCE

O & R REQUEST
4-9526
DEC 18 2019
Office of the Chief Administrative Officer

O&R REQUEST

DATE: December 17, 2019 EDITION: 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: Lenora G. Reid, Acting Chief Administrative Officer

THROUGH: Sharon L. Ebert, Deputy Chief Administrative Officer

FROM: Douglas C. Dunlap, Director
Department of Housing and Community Development

RE: To authorize the Chief Administrative Officer to execute and issue Certificate of Completion on behalf of the City to Richmond Redevelopment and Housing for the homeownership phase of redevelopment of the former Armstrong High School site located at 1116 N. 31st Street and 1501 N. 31st Street.

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

PURPOSE: To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute appropriate documents releasing the Richmond Redevelopment and Housing Authority from the City's reversionary interest contained in a certain Quit Claim Deed, dated January 23, 2017 and recorded in the land records of the Circuit Court of the City of Richmond on January 26, 2017, as Instrument No. 17-1669, in order that certain parcels of land contained in the Church Hill North revitalization project be developed as single family residential units offered for sale to the public, and further to ensure that eight such parcels be developed as single family affordable housing units offered for sale to qualifying purchasers

REASON: The City of Richmond recorded a Quit Claim Deed on January 26, 2017 as Document No. 17-1669 which granted and conveyed certain parcels of land located at 1116 N. 31st Street and 1501 N. 31st Street in the City of Richmond, Virginia to the Richmond Redevelopment and Housing Authority for the purpose of redeveloping and revitalization the former Armstrong High School site as a mixed income residential development.

The City Deed provides that if the Property is not constructed and developed as an affordable housing project, financed in part with an allocation of low-income housing tax credits provided through the Virginia Housing Development Authority, title to the Property is subject to a rever-

Handwritten signatures and dates: 11/6/2020, RECEIVED JAN 07 2020 OFFICE OF THE CITY ATTORNEY

sionary interest in favor of the City (the "Right of Reversion"). Removing the aforementioned deed restrictions allows the new homeowner to obtain permanent financing in the form of a home mortgage.

The City agrees to relinquish its ability to exercise its Right of Reversion against the Property, and the new homeowner of the Property.

The Chief Administrative Officer, for and on behalf of the City, shall execute and deliver to the developer a legal document with respect to the Property in recordable form to be recorded by the developer.

The Chief Administrative Officer, shall not release the reverter, unless RRHA transfers the parcels to the Grantee subject to the terms that the property be constructed and developed as a new single family affordable home, to a qualified purchaser as their primary residence, and that the home will have a minimum affordability period of 20 years, subject to a 20 year resale provision. Furthermore, that construction will commence as evidenced by the pouring of a foundation within 12 months of the recordation of the Quit Claim Deed.

The City agrees and does hereby subordinate any right, remedy, title, estate and interest in and to the lots comprising the homeownership phase as a result of its Right of Reversion to the lien of the Leasehold Mortgage. Without limiting the generality of the foregoing, if title becomes vested in the City, its successor or assigns as a result of the exercise of the Right of Reversion, such title shall be subject and subordinate to the lien of the Leasehold Mortgage.

**RECOMMENDATION:** The City of Richmond, including the Department of Housing and Community Development, recommend approval.

**BACKGROUND:** This ordinance request is directly related to Ordinance 2019-100 adopted on March 25<sup>th</sup> which authorized the CAO to execute a Certificate of Completion for Phase 1B. The City and Richmond Redevelopment and Housing Authority have committed to address the de-concentration of poverty and transformation of this the Church Hill North Community by redeveloping the former Armstrong High School site (31st Street) where the school structure was demolished and up to 250 new mixed income housing units will be developed. The successful completion of the homeownership phase is critical to the success of the entire development site because it substantiates the commitment to the development of strong sustainable mixed income communities.

The result will be a redevelopment effort in the Church Hill North Neighborhood which includes the current Creighton Court site and portions of the Nine Mile Road Corridor. This involves the redevelopment of the Creighton Court public housing complex site (30+ acres) containing 504 public housing units. The phased redevelopment has begun on the former Armstrong High School site. The master developer has been awarded funding to support the development of new homes in the Church Hill North neighborhood. The City has supported the effort by providing additional funding to offset construction cost associated with the planned redevelopment. The

O&R Request

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City is authorized by Section 36-7 of the Code of Virginia of 1950, as amended (the "Code") to make donations to the Authority to enable or assist the Authority in carrying out its purposes.

**FISCAL IMPACT / COST:** No Impact

**NAFISCAL IMPLICATIONS:** NA

**BUDGET AMENDMENT NECESSARY:** NA

**REVENUE TO CITY:** NA

**DESIRED EFFECTIVE DATE:** Upon Adoption

**REQUESTED INTRODUCTION DATE:** January 27, 2020

**CITY COUNCIL PUBLIC HEARING DATE:** February 24, 2020

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Landuse, Housing, and Transportation Standing Committee

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:**

**AFFECTED AGENCIES:** Housing and Community Development

**RELATIONSHIP TO EXISTING ORD. OR RES.:** Ordinance 2015-46-48, Ordinance 2019-100

**REQUIRED CHANGES TO WORK PROGRAM(S):** NA

**ATTACHMENTS:** Quit Claim Deed – Form RRHA to Purchaser

**STAFF:** Douglas C. Dunlap, Housing and Community Development– 646-6822

Document Prepared By:  
<INSERT RECORDING INFORMATION>  
Tax Parcel Nos. <INSERT>

**QUITCLAIM DEED**  
**[For Lots to be Developed with Affordable Units]**

THIS DEED, made this \_\_\_\_\_ day of \_\_\_\_\_, 2020, between the **RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY**, a political subdivision of the Commonwealth of Virginia (“Grantor”) and <INSERT>, a <INSERT> (“Grantee”).

**RECITAL**

This conveyance is exempt from the Virginia grantor’s tax, pursuant to Section 58.1-811 (C)(4) of the Code of Virginia (1950), as amended.

**WITNESSETH:**

WHEREAS, by recordation of this Deed, the Grantee represents that the conveyance of the Property upon terms and conditions specified is acceptable to the Grantee;

NOW, THEREFORE, for consideration of the sum of **TEN DOLLARS (\$10.00)**, cash in hand paid, and other good and valuable consideration, the receipt of which is hereby acknowledged, the Grantor hereby remises, releases, and forever quitclaims to the Grantee all the Grantor’s right, title and interest in and to the following described property (“Property”):

SEE SCHEDULE “A” ATTACHED HERETO  
AND MADE A PART HEREOF

This conveyance is made subject to: (i) all covenants, conditions, restrictions, easements and other matters of record; (ii) all real estate taxes and assessments not yet due and payable; and (iii) such matters as would be disclosed by a current and accurate survey of the Property.

The Property is transferred to Grantee subject to the following conditions: (i) that the Property be constructed and developed as a new single family affordable housing home (“Home”)



that will be offered for sale to qualified third party purchasers intending to occupy the Home as such third-party purchaser's primary residence; (ii) that the Home be subject to a minimum affordability period of twenty years and further subject to a twenty year resale provision; (iii) that such construction be in accordance with plans and specifications therefor previously submitted by Grantee to Grantor and approved by Grantor (the "Approved Plans"); and (iv) that construction on the Home on the Property in accordance with the Approved Plans commence, as evidenced by the pouring of a foundation for the Home on the Property, within twelve (12) months of the date of recordation of this Deed. The aforesaid conditions shall operate as covenants binding the Grantee, its successors and assigns hereunder and shall run with the land. If the Property fails to be constructed and developed in accordance with the conditions set forth in this Deed, the Property shall, at the option of Grantor, revert to Grantor upon the recordation by Grantor of an affidavit in the land records of the Clerk's Office of the Circuit Court of the City of Richmond, Virginia (the "Land Records"), stating that Grantee has failed to meet any or all of the conditions contained in this Deed and, in connection therewith, Grantee shall, upon demand, execute (or cause BHC [as hereinafter defined] to execute) any and all documents required by Grantor to vest title in and to the Property in Grantor.

The Property is transferred to Grantee subject to the further condition that, in the event that certain Subcontract for Development and Construction of Homeownership Units entered into by and between Grantee and Better Housing Coalition ("BHC"), dated as of \_\_\_\_\_, 2019 (the "Development Subcontract"), is terminated pursuant to either Section 8.1 or Section 9.1 thereof, then, in such case, pursuant to Section 8.2 or Section 9.2 thereof, as applicable, title to the Property shall, at the option of Grantor, revert to Grantor. In such case, if Grantor elects to exercise this right of reverter, upon the recordation by Grantor of an affidavit in the Land Records

stating that the Development Subcontract has been terminated pursuant to either Section 8.1 or Section 9.1 thereof, as applicable, title to the Property shall revert to Grantor and, in connection therewith, Grantee shall, upon demand, execute (or cause BHC to execute) any and all documents required by Grantor to vest title in and to the Property in Grantor. A copy of the Development Subcontract is on file at Grantor's office located at 901 Chamberlayne Parkway, Richmond, Virginia, and reference should be made thereto for particulars regarding the circumstances in which title to the Property may revert to Grantor pursuant to Section 8.2 and Section 9.2 thereof.

Notwithstanding anything contained hereinabove to the contrary, Grantor acknowledges and agrees that the foregoing rights of reverter in favor of Grantor shall be subject and subordinate in all respects to the lien of any mortgage or deed of trust recorded against the Property in order to secure any construction financing obtained by Grantee in connection with the construction of the Home on the Property.

[SEE ATTACHED SIGNATURE PAGE]

IN WITNESS WHEREOF, the Grantor has caused this Deed to be executed on its behalf  
by its duly authorized representative.

RICHMOND REDEVELOPMENT AND  
HOUSING AUTHORITY, a political subdivision  
of the Commonwealth of Virginia

By: \_\_\_\_\_

Its: \_\_\_\_\_

COMMONWEALTH OF VIRGINIA  
CITY OF RICHMOND, to-wit:

The foregoing Deed was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_,  
2020, by \_\_\_\_\_ of the Richmond Redevelopment and Housing  
Authority on behalf of the Grantor.

\_\_\_\_\_  
Notary Public

Notary Registration Number: \_\_\_\_\_

My Commission expires: \_\_\_\_\_

GRANTEE'S ADDRESS  
<INSERT>

SCHEDULE A

[TO BE ADDED]

DRAFT