

INTRODUCED: September 13, 2021

AN ORDINANCE No. 2021-236

To amend Ord. No. 2021-042, adopted May 24, 2021, which accepted a program of proposed Capital Improvements Projects for Fiscal Year 2021-2022 and the four fiscal years thereafter, adopted a Capital Budget for Fiscal Year 2021-2022, and determined a means of financing the same, by transferring \$321,750.00 from the Reserve Fund for Permanent Public Improvements and appropriating \$321,750.00 of the transferred funds to the Capital Budget for Fiscal Year 2021-2022 for the Department of Public Works' Theatre Row Building (730 E. Broad Street) – DJS/ADC Renovations project for the purpose of renovating a portion of the Theatre Row Building located at 730 East Broad Street for use by the Department of Justice Services and the Adult Drug Court program.

\_\_\_\_\_  
Patron – Mayor Stoney

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

PUBLIC HEARING: SEP 27 2021      AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Ordinance No. 2021-042, adopted May 24, 2021, which accepted a program of proposed Capital Improvements Projects for the fiscal year commencing July 1, 2021, and ending June 30, 2022, and the four fiscal years thereafter, adopted a Capital Budget for the fiscal year commencing July 1, 2021, and ending June 30, 2022, and determined a means of financing the same, be and is hereby amended by transferring \$321,750.00 from the Reserve Fund for Permanent Public Improvements for the purpose of renovating a portion of the Theatre Row

AYES:                      9                      NOES:                      0                      ABSTAIN: \_\_\_\_\_

ADOPTED: SEP 27 2021    REJECTED: \_\_\_\_\_    STRICKEN: \_\_\_\_\_

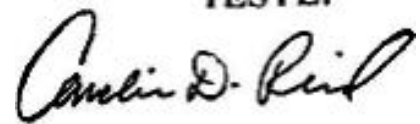
Building located at 730 East Broad Street for use by the Department of Justice Services and the Adult Drug Court program.

§ 2. That the Capital Budget for the fiscal year commencing July 1, 2021, and ending June 30, 2022, be and is hereby amended by increasing estimated revenues from the transfer of funds from the Reserve Fund for Permanent Public Improvements by \$321,750.00, increasing the amount appropriated for expenditures by \$321,750.00, and allotting to the Department of Public Works' Theatre Row Building (730 E. Broad Street) – DJS/ADC Renovations project in the City Facilities category the sum of \$321,750.00 for the purpose of renovating a portion of the Theatre Row Building located at 730 East Broad Street for use by the Department of Justice Services and the Adult Drug Court program.

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

**A TRUE COPY:**

**TESTE:**

A handwritten signature in black ink, appearing to read "Camille D. Reed", written in a cursive style.

**City Clerk**



# CITY OF RICHMOND

## INTRACITY CORRESPONDENCE

### O&R REQUEST

**DATE:** August 18, 2021

**EDITION:** 2

**TO:** The Honorable Members of City Council

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

*[Signature]*

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

*JELS*

**THROUGH:** Robert C. Steidel, DCAO Operations

*RCS*

**THROUGH:** Sheila White, Director of Finance

*Sheila White*

**THROUGH:** Jason P. May, Acting Director of Budget and Strategic Planning

*Jason May*

**THROUGH:** Dawn Barber, Director of Justice Services

*[Signature]*

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

*[Signature]*

**RE:** To amend the FY2022 Capital Budget by appropriating additional funds in the amount of \$321,750 to the “Theatre Row Building (730 E. Broad Street) – DJS/ADC Renovations” project in the City Facilities category to renovate a portion of the Theatre Row Building (730 E Broad Street) for use by the Department of Justice Services and the Adult Drug Court.

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

**PURPOSE:** To amend Ord. No. 2021-042, adopted May 24, 2021, which accepted a program of proposed Capital Improvement Projects for Fiscal Year 2021-2022 and the four fiscal years thereafter, adopted a Fiscal Year 2021-2022 Capital Budget, and determined a means for financing the same by appropriating additional funds in the amount of \$321,750 to the Theatre Row Building (730 E. Broad Street) – DJS/ADC Renovations project in the Fiscal Year 2021-2022 Capital Budget, such funds being a portion of the increase in City revenues resulting from the sale of Public Safety Building.

**REASON:** To add \$321,750 to the existing CIP DJS/ADC Renovations Project budget of \$352,000 for a total project cost of \$673,750 for renovations to a portion of the Theatre Row Building, as necessary to facilitate use by the Department of Justice Services (DJS) and the Adult Drug Court (ADC).

**RECOMMENDATION:** The City Administration recommends approval.

**BACKGROUND:**

DJS and ADC have occupied space at the Public Safety Building for several years as that building has continued to deteriorate. In 2017 the City initiated a Space Needs Analysis that included DSS, DJS and ADC and since that time the City has evaluated several relocation options. On March 31, 2020 VCU terminated their existing lease at the Theatre Row Building for 34,096 square feet on the Lower Level, 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> floors. On March 1, 2021 City Council approved Ord. No. 2021-025 authorizing the sale of the Public Safety Building and the terms of the sale require that the City vacate the Public Safety Building within 150 days of the closing on the sale of the property. The Theatre Row Building space vacated by VCU has been determined to be adequate to meet all of DJS's and ADC's space needs and that location will allow them to maintain a downtown presence to serve their client base. The City has completed concept floor plans for the initial improvements necessary for the relocation of DJS and ADC to the Theatre Row Building. Those improvements include a new 1<sup>st</sup> floor DJS/ADC lobby with entry from 8<sup>th</sup> Street, a temporary location for the DJS/ADC drug testing area on the Lower Level in place of the current fitness center, installation of several new doors, DIT data/phone improvements and security/CCTV/card reader improvements necessary for DJS/ADC to move. Also include in the projected costs are architectural and engineering design fees, signage and acquisition of and relocation of used systems workstations including electrical connections.

Due to the preliminary nature of the cost estimate for these initial Theatre Row improvements we initially anticipated a Capital Budget project of \$485,000 but due to Covid-19 material and labor shortages, rising construction costs and further clarification of the project scope requirements we now are proposing a total project cost of \$673,750. Ord. No. 2021-091 was adopted by City Council on April 26, 2021 and it amended the FY2021 CIP by creating the "Theatre Row Building (730 E. Broad Street) – DJS/ADC Renovations" CIP project and appropriating \$352,000 to such project (which amount represents the deposit received by the City for the sale of the Public Safety Building). The remaining \$3+ Million in proceeds from the sale of the Public Safety Building was subsequently received at closing, which occurred on July 15, 2021. This CIP request of \$321,750 is intended to complete the required funding for these initial Theatre Row improvements (combined with the \$352,000 appropriated by Ord. No. 2021-091, for a total of \$673,750) and these funds will come from a small portion of the sales proceeds from the closing on the sale of the Public Safety Building.

A more extensive CIP project will be planned later in FY2022 or FY2023 for additional improvements necessary to create a final location for DJS/ADC drug testing on the Lower Level and to add additional interview offices on the 1<sup>st</sup> floor in either the DJS/ADC lobby or in one of the existing group rooms. A final cost estimate and budget will need to be determined for those improvements but as of now we are assuming a range of \$500,000 to \$800,000 will be necessary to complete those additional changes.

**FISCAL IMPACT / COST:**

Ordinance No. 2021-091 was approved by City Council on April 26, 2021 to amend the FY2021 Capital Budget and establish a new project in City Facilities to renovate a portion of the Theatre Row Building and provide initial funding of \$352,000 for the project. The appropriation requested by this O&R request is \$321,750, which is anticipated to cover the balance of the \$673,750 total cost of the project necessary to get DJS/ADC relocated to Theatre Row. The funds represent only a portion of the \$3,520,456.00 increase to City revenues received from the sale of the Public Safety Building. Appropriating the funds for the purpose requested herein is consistent with City Code §12-32(d) and §12-4(b) (regarding City's reserve fund for permanent public improvements).

**FISCAL IMPLICATIONS:** Funding needed to move DJC/ADC from the Public Safety Building to the Theatre Row Building has been provided in DJS's and ADC's FY2022 budgets. In addition DJS/ADC will pay approximately \$61,200 per year as parking rent for up to 85 spaces at the City-owned parking deck at 607 E Marshall Street.

**BUDGET AMENDMENT NECESSARY:** Yes.

**REVENUE TO CITY:** City Council's March 1, 2021 adoption of Ord. No. 2021-025 authorizing the sale of the Public Safety Building and the subsequent July 15, 2021 closing on the sale resulted in a \$3,520,456.00 increase in City revenues – this appropriation of \$321,750 represents a portion of such increased revenues.

**DESIRED EFFECTIVE DATE:** Upon adoption

**REQUESTED INTRODUCTION DATE:** September 13, 2021

**CITY COUNCIL PUBLIC HEARING DATE:** September 27, 2021

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** No committee referral pursuant to Rule VI(B)(4)

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** Planning Commission September 20, 2021

**AFFECTED AGENCIES:** Justice Services, Budget and Strategic Planning, Finance, Economic Development, Public Works, City Attorney's Office

**RELATIONSHIP TO EXISTING ORD. OR RES.:** Amendment to Ord. No. 2021-042; additionally, No. 2021-091 (which created this CIP Project and appropriated initial funding of \$352,000), and Ord. No. 2021-025 (which authorized the sale of the Public Safety Building)

**REQUIRED CHANGES TO WORK PROGRAM(S):** None

**ATTACHMENTS:** Ord. No. 2021-091

**STAFF:** Sharon L. Ebert, DCAO – Planning and Economic Development Portfolio  
Paul McClellan, Community and Economic Development Administrator  
Dawn Barber, Department of Justice Services  
Gloria Jones, Adult Drug Court  
Lynne Lancaster, DPW Capital Projects  
Jeannie Welliver, DPW Capital Projects