



Legislation Text

File #: ORD. 2023-183, **Version:** 2

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a First Amendment to Deed of Facilities Lease Agreement for Port of Richmond between the City of Richmond and the Virginia Port Authority for the leasing of the property located at 5000 Deepwater Terminal Road, known as the Port of Richmond. (8th District)

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 execute a First Amendment to Deed of Facilities Lease Agreement for Port of Richmond between the City of Richmond and the Virginia Port Authority for the leasing of the property at 5000 Deepwater Terminal Road, known as the Port of Richmond. The First Amendment to Deed of Facilities Lease Agreement for Port of Richmond shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

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

DATE: May 15, 2023

EDITION: 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

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

THOUGH: Sabrina Joy-Hogg, DCAO - Finance and Administration Portfolio

THROUGH: Sheila White, Director of Finance

THROUGH: Jason May, Director of Budget and Strategic Planning

THROUGH: Sharon L. Ebert, DCAO - Planning & Economic Development Portfolio

FROM: Matthew A. Welch, Senior Policy Advisor

RE: First Amendment to Deed of Facilities Lease Agreement for Port of Richmond

ORD. OR RES. No.

PURPOSE: To authorize the Chief Administrative Officer (“CAO”) to, for and on behalf of the City of Richmond (“City”), execute the First Amendment to Deed of Facilities Lease Agreement for Port of Richmond.

REASON: Council approval is necessary to approve the lease amendment. The amendment is desired by the Department of Public Works (DPW) in order to accommodate the Deepwater Terminal Road Connector to Goodes Street CIP project.

RECOMMENDATION: The City Administration recommends approval.

BACKGROUND: In 2015, the City entered into the Deed of Facilities Lease Agreement for Port of Richmond by and between the City (as Lessor) and the Virginia Port Authority (“VPA”) (as Lessee), pursuant to which the City leased the Port of Richmond and associated real estate to VPA for a period of 40 years (the “Port Lease”). The “Leased Premises” set forth in the Port Lease total 153.129 acres with an annual rent of \$180,000 due to be paid by VPA to the City.

A small portion (4.429 acres) of such Leased Premises (“ROW Dedication Area”) is needed as part of DPW’s Deepwater Terminal Road Connector to Goodes Street CIP project. In order to accommodate use of such ROW Dedication Area for the CIP project, the Port Lease must be amended to remove the acreage from the Leased Premises. This O&R Request seeks legislation for Council’s approval of the attached First Amendment to Deed of Facilities Lease Agreement for Port of Richmond, which (1) removes the 4.429 acre ROW Dedication Area from the Leased Premises (thereby reducing the total acreage of the Leased Premises by 2.9%) and (2) reduces the annual rent to be paid VPA to the City by a corresponding proportional amount of \$5,220 (2.9% of \$180,000), resulting in a new annual rent of \$174,780.

FISCAL IMPACT / COST: Reduction of \$5,220 in annual City revenues under the lease.

FISCAL IMPLICATIONS: Reduction of \$5,220 in annual City revenues under the lease.

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: No new City revenues. City will continue to receive revenues under the lease (less \$5,220 per annum).

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: June 12, 2023

CITY COUNCIL PUBLIC HEARING DATE: June 26, 2023

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: N/A

AFFECTED AGENCIES: Public Works, Economic Development, Finance, City Attorney's Office

RELATIONSHIP TO EXISTING ORD. OR RES.: Ord. No. 2015-168-174

REQUIRED CHANGES TO WORK PROGRAM(S):

ATTACHMENTS: First Amendment to Deed of Facilities Lease Agreement for Port of Richmond

STAFF:

Adel Edward, DPW