



Legislation Text

File #: RES. 2023-R053, **Version:** 1

To designate the property known as 2200 Ingram Avenue as a revitalization area pursuant to Va. Code § 36-55.30:2.

WHEREAS, pursuant to section 36-55.30:2 of the Virginia Housing Development Authority Act (the “Act”), as set forth in sections 36-55.24 through 36-55.52 of the Code of Virginia (1950), as amended, the governing bodies of localities may by resolution designate an area within such locality as a revitalization area for the purpose of facilitating financing by the Virginia Housing Development Authority to assist private entities with the development of mixed use and mixed income projects; and

WHEREAS, pursuant to the Act, in order to designate an area as a revitalization area, the local governing body must determine that, with respect to such area, (i) the industrial, commercial or other economic development of such area will benefit the city but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area, and (ii) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area; and

WHEREAS, the Council believes that the property known as 2200 Ingram Avenue, identified as Tax Parcel No. S000-0863/001 in the 2023 records of the City Assessor and as shown on the survey entitled “Oak Grove Townhome Subdivision, 2200 Ingram Avenue, S0000863001, City of Richmond, VA,” prepared by Nyfeler Survey, and dated March 9, 2023, a copy of which is attached to this resolution, is an area (i) for which the industrial, commercial or other economic development of such area will benefit the city but such area lacks

the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area, and (ii) in which private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area; and

WHEREAS, the Council believes that it is in the best interests of the citizens of the City of Richmond that the Council designate the aforementioned property as a revitalization area pursuant to section 36-55.30:2 of the Code of Virginia (1950), as amended;

NOW, THEREFORE,

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

That the Council hereby designates the property known as 2200 Ingram Avenue, identified as Tax Parcel No. S000-0863/001 in the 2023 records of the City Assessor and as shown on the survey entitled “Oak Grove Townhome Subdivision, 2200 Ingram Avenue, S0000863001, City of Richmond, VA,” prepared by Nyfeler Survey, and dated March 9, 2023, a copy of which is attached to this resolution, as a revitalization area pursuant to section 36-55.30:2 of the Code of Virginia (1950), as amended.

BE IT FURTHER RESOLVED:

That the Council hereby determines that the industrial, commercial or other economic development of the area consisting of the aforementioned property will benefit the city, but that such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area.

BE IT FURTHER RESOLVED:

That the Council hereby determines that the aforementioned property consists of an area in which private enterprise and investment are not reasonably expected, without assistance, to produce the construction

or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.

DATE: August 21, 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

THROUGH: Sharon L. Ebert, Deputy Chief Administrative Officer, Economic Development and Planning Portfolio

FROM: Sherrill Hampton, Director
Department of Housing and Community Development

RE: Designating the 5.108-acre site at 2200 Ingram Avenue, as a Revitalization Area according to Virginia Code §36-55.30:2 to secure Virginia Housing (formerly VHDA) financing for the 243-unit multifamily development serving low-income individuals and families.

ORD. OR RES. No.

PURPOSE: To request a resolution from the City Council designating the 5.108-acre site at 2200 Ingram Avenue as a Revitalization Area under Virginia Code §36-55.30:2 to secure Virginia Housing financing for the development of a 243-unit multifamily development serving low-income individuals and families.

REASON: Pursuant to the approved Ordinance No. 2022-258 that directed the sale of the City-owned real estate located at 2200 Ingram Avenue to Oak Grove Partners, LLC for the purpose of facilitating the construction of an affordable multifamily residential development. Oak Grove Partners, LLC is seeking the 4% tax credits to finance the development of the 243 units.

RECOMMENDATION: Approval is recommended.

BACKGROUND: The property was formerly an elementary school and is currently vacant. The proposed development at 2200 Ingram Avenue will include the demolition of the former school and the transformation of the 5.108-acre Oak Grove parcel into 243 newly constructed affordable rental units for individuals and families with incomes at 50, 60, and 70 percent of the Area Median Income with 30-year income restrictions averaging no more than 60% of the Area Median Income (AMI) for the Richmond-Petersburg Metropolitan Statistical Area. Additional uses on the site include a minimum of fifteen (15) townhomes/condos to be sold to families at or below 80% of AMI.

The applicant is currently seeking approval for tax credits from Virginia Housing for the development of the

multifamily rental units and is working with the Department of Planning and Development Review to obtain a Special Use Permit (SUP).

The development will provide 243 multifamily units with 25 units or 10% of the units restricted to persons earning 50% of the Area Median Income (AMI). 193 units or 80% of the units will be restricted to persons earning 60% of the Area Median Income, and 25 units, or 10% of the units restricted to persons earning 70% of the Area Median Income. At least 10% of the units will be 504 accessible for persons with disabilities. The site will have one multifamily building developed at the corner of Ingram Avenue, East 21st Street, and Joplin Avenue. The site will have the proposed townhouses developed along Ingram Avenue. The multifamily building will be four (4) stories in height with accessory off-street parking located in a surface lot at the corner of Mason Street, Ingram, and Joplin Avenue. An access easement will be provided through the proposed surface lot for the townhomes proposed in another phase. The exterior façade includes brick and fiber panels. This development will not include any vinyl siding. All of the 243 units will have market-rate-level design and features (stainless appliances, stone countertops, in-unit washer, and dryer), and at least 10% of the units will be compliant with HUD 504 accessibility regulations. The development will also include community space open for neighborhood meetings, after-school and social programming, a swimming pool, and a fitness center. The development will also have an extensive tree canopy, dedicated greenspace, and electric vehicle charging stations. This development will be Earthcraft Gold certified upon completion.

The development will include an on-site leasing office with management by Drucker and Falk.

The projected cost of the project is \$60 million dollars and will be financed with tax credit investments, a forgivable loan from the City's second tranche of ARPA funding, and a deferred Developer's Fee. This will be a 30-year affordable development with all of the units set aside for renters earning between 50%-70% of the Area Median Income (AMI). The development will provide the following unit mix:

Unit Mix

50% Units	Bedroom(s)	Bathroom(s)	# of Units
	1	1	20
	2	2	4
	3	2	1
50% Units Total			25
60% Units	1	1	151
	2	2	31
	3	2	11
60% Units Total			193
70% Units	1	1	15
	2	2	7
	3	2	3
70% Units Total			25

Total # of Units			243
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This development includes one residential (housing) multifamily building with interior accessory uses interspersed throughout the building. No non-housing buildings are proposed for this development.

The planned development at 2200 Ingram Avenue will be located in a Revitalization Area in the City of Richmond, Virginia. The revitalization area currently meets the following conditions (i) (2) the industrial, commercial, or other economic development of such area will benefit the City but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; and (ii) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate-income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.

FISCAL IMPACT/COST: None

FISCAL IMPLICATIONS: No adverse fiscal implications are anticipated.

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: There will be additional revenue to the City as it relates to property taxes.

DESIRED EFFECTIVE DATE: Upon Adoption

REQUESTED INTRODUCTION DATE: September 11, 2023

CITY COUNCIL PUBLIC HEARING DATE: September 25, 2023

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Land Use, Housing, and Transportation

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Housing and Community Development and Planning and Development Review

RELATIONSHIP TO EXISTING ORD. OR RES.: 2022-258 and a Performance Grant request

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: Land Use Administration Comment Letter #2, Ordinance #2022-258, Location Map, Proposed Site, and Unit Plans prepared by VHB, Plat for Oak Grove

STAFF: Michelle B. Peters, Deputy Director II - 646-3975