

RESOLUTION NO. 13327-20

A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AND THE CITY CLERK TO ATTEST, ON BEHALF OF THE CITY OF NEWPORT NEWS, VIRGINIA, THAT CERTAIN AGREEMENT FOR REDEVELOPMENT SERVICES BY AND BETWEEN THE CITY OF NEWPORT NEWS, VIRGINIA, AND THE NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY DATED THE 23<sup>RD</sup> DAY OF JUNE, 2020.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Newport News:

1. That it hereby authorizes and directs the City Manager to execute and the City Clerk to attest, on behalf of the City of Newport News, Virginia, that certain Agreement for Redevelopment Services by and between the City of Newport News, Virginia, and the Newport News Redevelopment and Housing Authority dated the 23<sup>rd</sup> day of June, 2020.
2. That a copy of the said Agreement is attached hereto and made a part hereof.
3. That this resolution shall be in effect on and after the date of its adoption, June 23, 2020.

PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS ON JUNE 23, 2020

Mabel Washington Jenkins, MMC  
City Clerk

McKinley L. Price, DDS  
Mayor

A true copy, teste:

City Clerk

## **AGREEMENT FOR REDEVELOPMENT SERVICES**

THIS AGREEMENT, made this 23<sup>rd</sup> day of June, 2020, by and between the CITY OF NEWPORT NEWS, VIRGINIA, a municipal corporation in the Commonwealth of Virginia (hereinafter called CITY) and the NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision of the Commonwealth of Virginia (hereinafter called AUTHORITY) is as follows:

WHEREAS, the CITY desires to undertake certain redevelopment activities within specified areas of portions of the City known as the Southeast Community, Marshall Ridley Choice Neighborhood, Downtown, Jefferson Park, and other areas that may be designated; and

WHEREAS, Title 36, as amended, of the Code of Virginia, empowers the AUTHORITY to conduct certain activities within Redevelopment Areas; and

WHEREAS, funds have been included in the annually adopted Capital Improvements Plan of the CITY to undertake certain redevelopment activities; and

WHEREAS, grant funding may also be designated for such areas; and

WHEREAS, the City Council of the CITY has or will appropriate funds to secure the services of the AUTHORITY to implement certain redevelopment activities; and

WHEREAS, the AUTHORITY desires to perform such stipulated redevelopment activities.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements of the parties hereinafter set forth, it is hereby contracted and agreed:

### SECTION I – SERVICES AND RESPONSIBILITIES OF THE AUTHORITY

The AUTHORITY shall perform all services necessary for the completion of projects in the above described areas (projects to include all activities specified herein) to the satisfaction of the City Manager and the CITY's Director of Development, who is hereby designated as the coordinator of the activities identified herein. The Director of Development shall work closely with the Executive Director of the AUTHORITY, who is hereby designated as the AUTHORITY's coordinator of the activities identified herein. It is understood that close coordination between the CITY and the AUTHORITY is a key element in the successful completion of this Agreement. It is further understood that the Director of Development shall be the primary administrative contact for all coordination, apart from the necessary involvement of the City Manager.

The AUTHORITY's Basic Services consist of the following as described in Paragraphs 1.1 through 1.15.

- 1.1 The AUTHORITY shall secure sufficient personnel, training, services, office space, equipment, and materials which may be necessary to implement the activities listed below, and as may be necessary to carry out completely, satisfactorily, and in a timely manner the objectives of the CITY in accordance with applicable provisions of law and any plans prepared in accordance therewith.
- 1.2 The AUTHORITY shall, at the CITY's direct request, provide services related to the acquisition of property, demolition of property, relocation services to residents of such property and property maintenance in support of the following programs/projects:
  - 1.2.1 Southeast Community Corridor Redevelopment Project – Title 36 Area
    - a. Madison Heights Redevelopment
    - b. Neighborhood Revitalization Strategy Areas (NRSA)
  - 1.2.2 Marshall Ridley Choice Neighborhood – Choice Neighborhood Initiative (CNI)
  - 1.2.3 Downtown Partnership Redevelopment Initiative
  - 1.2.4 South Jefferson Park Redevelopment – Title 36 Area
  - 1.2.5 South Jefferson Park Redevelopment – HUD EDI-SP Grant Area
  - 1.2.6 Federal Flood Assistance Program (FAP)
  - 1.2.7 Other strategic redevelopment activities, including but not limited to:
    - a. Vacant and blighted lot acquisition and disposition
    - b. Southeast Community Waterfront and Gateways
    - c. Preservation and improvement of housing stock through rehabilitation
    - d. Promote and encourage home ownership
- 1.3 The AUTHORITY shall provide sole supervision of and direction to project staff undertaking the scope of services. The CITY's Director of Development shall assign sufficient personnel who will coordinate with the AUTHORITY under the supervision of the CITY's Director of Development.
- 1.4 The AUTHORITY shall ensure that all services being provided meet state, federal and local requirements.
- 1.5 The AUTHORITY shall maintain an accounting system to control the receipt and disbursement of funds related to redevelopment activities specified herein to the satisfaction of the CITY and in conformance with all applicable federal and state guidelines and governing accounting regulations.
- 1.6 The AUTHORITY shall, in conjunction with the CITY, develop all Title 36 Redevelopment Plans necessary to implement approved redevelopment activities.
- 1.7 The AUTHORITY shall administer all Title 36 Conservation and Redevelopment Plans necessary to implement approved redevelopment activities.

- 1.8 The AUTHORITY shall be responsible for timely site securitization and management of all acquired properties, which includes, but shall not be limited to, obtaining insurance, collecting of rents, boarding up windows and doors, cutting of grass, and other temporary maintenance that may be required prior to disposal or transfer of the subject properties.
- 1.9 The AUTHORITY shall directly involve the CITY in reviewing all development proposals for private re-use of land acquired under this Agreement or any previous redevelopment service agreement between the parties.
- 1.10 The AUTHORITY shall provide to the CITY copies of plans, studies, legal opinions, contracts and other agreements and materials necessary to completing the services required under this Agreement as needed or requested.
- 1.11 The AUTHORITY shall provide the CITY with project status reports on a quarterly basis, such reports being due to the Director of Development on the 20<sup>th</sup> of the month following the end of each quarter covered by the required report (i.e., October, January, April). In lieu of the final quarterly report, due July 20<sup>th</sup>, the AUTHORITY shall provide the CITY with a detailed project status report on the entire past fiscal year's activities, from July 1<sup>st</sup> through June 30<sup>th</sup>. Such reports shall include acquisition, demolition and relocation status for each project/program as well as financial reporting on funds expended and program income received.
- 1.12 The AUTHORITY shall provide the CITY with an annual cumulative summary of acquisitions, dispositions, and remaining inventory of AUTHORITY owned properties acquired under this AGREEMENT and any previous redevelopment service agreement between the parties. Such summary shall be due to the Director of Development by September 30<sup>th</sup> each year.
- 1.13 The AUTHORITY shall make available all reports, maps, records, surveys or other data relating to the work tasks specified hereunder.
- 1.14 The AUTHORITY shall, in addition to those services specifically enumerated above, provide such other services as may be necessary to the successful completion of the above described projects which are normally and customarily associated with redevelopment activities.
- 1.15 The AUTHORITY shall submit an annual budget request under this Agreement to the CITY's Director of Development not later than January 20<sup>th</sup> of each year, said request to include a detailed breakdown of personnel, operating equipment, and program costs anticipated for the next fiscal year.

## SECTION II – RESPONSIBILITIES OF THE CITY

- 2.1 The CITY shall provide overall planning and policy guidance on matters pertaining to the above mentioned redevelopment projects.

- 2.2 The CITY shall provide necessary coordination between CITY departments and non-CITY agencies involved in the implementation of the redevelopment activities.
- 2.3 The CITY shall provide for the appropriate legal review of CITY activities to the extent required to provide for compliance with appropriate state, federal and local legal requirements and regulations.
- 2.4 The CITY shall provide for the evaluation and monitoring of the adequacy of status reports completed by the AUTHORITY in order to recommend changes for improvement or clarity.
- 2.5 The CITY shall have the right to conduct periodic monitoring reviews that may be undertaken by Department of Development staff or other City staff as designated to determine compliance with the Agreement, and the AUTHORITY will provide access to all necessary documents or records. Furthermore, the AUTHORITY agrees that officials from state or federal agencies shall also be provided access to all necessary documents or records.
- 2.6 The CITY shall provide the funds for the hiring of staff necessary to carry out the scope of services, with the understanding that the CITY shall review and approve the annual request for personnel costs associated with the redevelopment projects.
- 2.7 The CITY shall provide for regular evaluation of the AUTHORITY's management system used to facilitate project scheduling, staff training, and prioritizing for staff assignments.
- 2.8 The CITY shall be responsible for the preparation of prospectuses and advertisements for potential developers for land acquired under the terms of this Agreement, unless otherwise requested by the Director of Development.
- 2.9 The CITY shall designate the Director of Finance to authorize disbursements after receipt of appropriate documentation to carry out those activities identified herein and following the approval of the Director of Development or his/her designee.
- 2.10 The CITY shall, in conjunction with the AUTHORITY, develop all Title 36 Redevelopment Plans or other plans as necessary to implement approved redevelopment activities.

### SECTION III – TIME OF PERFORMANCE

- 3.1 The services of the AUTHORITY shall commence on July 1, 2020. Such services shall be undertaken and completed in such sequence as to assure their expeditious completion in light of the purpose of the Agreement.
- 3.2 This Agreement shall automatically terminate on the June 30, 2021, unless extended by separate written agreement. Such extensions shall be in the form of addenda to the contract which shall be executed by the City Manager and the Executive Director of the

AUTHORITY for a maximum of four (4) additional one year terms, without further approval by either the City Council or the Board of Commissioners of the AUTHORITY, provided that the City Council has appropriated adequate funds during the budget process to cover the costs of the redevelopment program for the next consecutive fiscal year.

#### SECTION IV – COMPENSATION AND METHOD OF PAYMENT

- 4.1 The CITY shall make payment to the AUTHORITY as outlined below for services rendered in accordance herewith. Payment shall be made upon receipt and approval of a requisition for payment.
- 4.2 Requisitions for payment shall be supported by schedules, statements, and reports indicating the nature of the work activity covered by the request and shall be submitted to the Director of Development.
- 4.3 Total payments to the AUTHORITY under the terms of this Agreement for program activities shall be consistent with overall redevelopment plans and shall not exceed appropriations made to those programs by the CITY subsequent to the adoption of this agreement.

#### SECTION V – PROGRAM INCOME

- 5.1 Program income will be reported and retained by the AUTHORITY to undertake activities specified herein, or at the request of the CITY, the AUTHORITY will transfer account funds to the CITY.

#### SECTION VI – TERMINATION

- 6.1 This Agreement may be suspended or terminated by either party if the other party fails to comply with any term or condition of the Agreement upon sixty (60) days written notice.
- 6.2 In the event the CITY shall abandon all or part of the services to be rendered by the AUTHORITY, the AUTHORITY shall be notified in writing. Immediately upon receiving such notice, the AUTHORITY shall discontinue the work abandoned by the CITY under this Agreement and shall proceed to close and terminate the Agreement, or that portion thereof covered by the CITY's written notice.

#### SECTION VII – REVERSION OF ASSETS

- 7.1 In the event of the expiration or termination of this Agreement, unless otherwise extended, the AUTHORITY shall transfer to the CITY any funds on hand at the time of such expiration or termination and any accounts receivable attributable to the use of the funds. Additionally, the AUTHORITY shall transfer to the CITY any real property acquired under this Agreement if requested by the CITY.

SECTION VIII – ADMINISTRATIVE BUDGET

8.1 The AUTHORITY’s annual administrative budget for the above described services for the current fiscal year is detailed in Exhibit “A,” attached hereto. Program activity for subsequent years shall be negotiated annually by way of an addendum to this Agreement along with a modified administrative budget of costs estimated for the next fiscal year to be submitted no later than January 20<sup>th</sup> of each year.

SECTION IX – LIABILITY

9.1 It is agreed and understood that the AUTHORITY shall protect, defend, and save harmless the CITY from and against any and all losses or claims for physical damage to property, bodily injury, or death to any person or persons, or any claims of whatever nature, which may be occasioned by the AUTHORITY, its employees and its agents.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, the Agreement as of the day and year first above written.

CITY OF NEWPORT NEWS, VIRGINIA

BY: \_\_\_\_\_  
Cynthia D. Rohlf  
City Manager

ATTEST:

\_\_\_\_\_  
Mabel V. Washington Jenkins  
City Clerk

APPROVED AS TO FORM:

REVIEWED BY:

\_\_\_\_\_  
Collins L. Owens Jr.  
City Attorney

\_\_\_\_\_

NEWPORT NEWS REDEVELOPMENT  
AND HOUSING AUTHORITY

BY: \_\_\_\_\_  
Karen R. Wilds  
Executive Director

WITNESS:

\_\_\_\_\_

\_\_\_\_\_  
Printed name and title

EXHIBIT A

FISCAL YEAR 2020 – 2021  
REDEVELOPMENT SERVICES AGREEMENT  
ANNUAL ADMINISTRATIVE BUDGET

The annual administrative budget for the above-described project for Fiscal Year 2020-2021 shall not exceed \$294,000, as shown in the following:

1.	<b>Personnel Costs</b> (Salary and fringe benefits)		
	• Choice Neighborhood Project Manager	10%	\$8,875
	• Development Administrator	70%	\$56,000
	• Special Projects Coordinator	100%	\$56,250
	• Administrative Support Specialist	100%	\$38,750
	• Real Estate Technician	80%	<u>\$43,750</u>
	• <b>Total Personnel Costs</b>		<b>\$203,625</b>
2.	<b>Travel and Training</b>		<b>\$1,500</b>
3.	<b>Operating Costs</b> (Office supplies, office space, utilities, telephone, janitorial, auto operation)		<b>\$10,000</b>
4.	<b>Indirect Overhead</b> (Accounting, audit, administration and program oversight)		<b>\$31,800</b>
5.	<b>Property Management Costs</b> (Maintenance, insurance and related costs for acquired properties)		<b>\$47,075</b>
	<b>TOTAL</b>		<b><u>\$294,000</u></b>