



Legislation Text

File #: 18-0344, **Version:** 1

Resolution Authorizing the Appropriation of \$47,500.00 From the Economic Development Fund Assigned Fund Balance to the Economic Development Authority to Finance a Portion of the Cost of the Installation of Street Lighting Along a Portion of Exploration Way and North Campus Parkway in Hampton Roads Center North Campus

PURPOSE/BACKGROUND:

The purpose of this resolution is to appropriate \$47,500.00 from the Economic Development Fund Assigned Fund Balance to the Economic Development Authority of the City of Hampton, Virginia (the "Authority") to finance one-half (1/2) of the cost of the installation of street lighting along a portion of Exploration Way and North Campus Parkway in Hampton Roads Center North Campus pursuant to a contract between the Authority and Craig Davis Properties, Inc. ("CDP")

Discussion:

The Economic Development Authority of the City of Hampton (the "Authority") owns approximately 210 acres in Hampton Roads Center North Campus ("HRC North Campus"). As a means to encourage and facilitate development in the HRC North Campus, the Authority has been responsible for the construction and installation of infrastructure improvements, including public streets, street lighting, water and sanitary sewer lines, and storm water drainage.

The Authority entered into a Land Disposition, Option, and Development Agreement CDP on May 21, 2014, and as amended on April 26, 2017 (the "First Amendment"), (the "Purchase Agreement" and the "First Amendment," collectively the "Agreement"), which granted to CDP an option to purchase approximately 11+/- acres in the HRC North Campus (the "Property") for further development by CDP at the price of \$110,000.00 per acre. CDP exercised its right to purchase the Property for the total agreed upon purchase price of \$1,235,410.00 ("Gross Purchase Price"). Under the terms of the Agreement, the Authority agreed to pay for the costs of the public infrastructure improvements outside of the boundaries of the Property, up to the value of the Gross Purchase Price plus an additional grant in the amount of \$428,000.00 ("Authority Grant"). In addition, pursuant to the First Amendment, the Authority agreed to pay one-half (1/2) of the actual costs of the installation of street lighting up to a maximum amount of \$47,500.00, as may ultimately be stated in an invoice from Dominion Virginia Power to the City of Hampton, Department of Public Works, with CDP retaining responsibility to pay the remaining half of the actual costs of that installation. Those lights are in the process of being installed, and the Authority's obligation to pay is now mature.

Impact:

See Purpose/Background above.

Recommendation:

Approve the Resolution.

WHEREAS, the Economic Development Authority of the City of Hampton, Virginia (the "Authority") entered into a Land Disposition, Option, and Development Agreement (the "Agreement") with Craig Davis Properties, Inc. ("CDP") for the sale and development of 12± acres in Hampton Roads Center North Campus (the "Property");;

WHEREAS, in furtherance of the Agreement, on May 11, 2016, the City Council of the City of Hampton, Virginia approved a rezoning application for the purpose of rezoning 7.94± acres of the Property to multiple district dwelling (MD-4), subject to 10 proffered conditions;

WHEREAS, the Authority conveyed the Property to CDP for the construction of apartments and mixed retail to support a live, work, and play environment in Hampton Roads Center North Campus;

WHEREAS, the Authority agreed to pay one-half (1/2) of the actual costs of the installation of street lighting up to a maximum amount of \$47,500.00, as may ultimately be stated in an invoice from Dominion Virginia Power to the City of Hampton, Department of Public Works, with CDP retaining responsibility to pay the remaining half of the actual costs of that installation; and

WHEREAS, the City of Hampton will benefit from the development of the Property through real estate taxes, capital investment, and employment opportunities.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Hampton, Virginia that the sum of \$47,500.00 shall be appropriated from the Economic Development Fund Assigned Fund Balance to the Economic Development Authority of the City of Hampton, Virginia for the payment of its obligation of one-half of the actual cost of the installation of street lighting on the Property in Hampton Roads Center North Campus.