



City of Petersburg Virginia

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July 27, 2021 - Special Closed Session City Council Agenda

July 27, 2021
Virtual Meeting
12:00 PM

City Council

Samuel Parham, Mayor – Ward 3
Annette Smith-Lee, Vice-Mayor – Ward 6
Treska Wilson-Smith, Councilor – Ward 1
Darrin Hill, Councilor – Ward 2
Charlie Cuthbert, Councilor – Ward 4
W. Howard Myers, Councilor – Ward 5
John A. Hart, Sr., Councilor – Ward 7

City Manager

Stuart Turille

-
1. **Roll Call**
 2. **Determination of the Presence of a Quorum**
 3. **Discussion and/or Consideration**
 - a. A Resolution Authorizing The City Manager To Execute A Development Agreement Between The City Of Petersburg And Robert and Crystal Jones For The Development Of 357 University Boulevard located in Petersburg, VA
 4. **Closed Session**
 - a. The purpose of this meeting is to convene in the closed session pursuant to §2.2-3711(A)(1) of the Code of Virginia for the purpose of discussion pertaining to performance, assignment, and appointment of specific public employees of the City of Petersburg specifically including but not limited to discussion of *the evaluation of the performance of the appointees of City Council*.
 5. **Adjournment**



City of Petersburg

Ordinance, Resolution, and Agenda Request

DATE: July 27, 2021

TO: The Honorable Mayor and Members of City Council

THROUGH: Stuart Turille, City Manager
Reginald Tabor, Interim Director of Planning & Zoning

FROM: Cynthia Boone

RE: **A Resolution Authorizing The City Manager To Execute A Development Agreement Between The City Of Petersburg And Robert and Crystal Jones For The Development Of 357 University Boulevard located in Petersburg, VA**

PURPOSE: A Resolution Authorizing The City Manager To Execute A Development Agreement Between The City Of Petersburg And Robert and Crystal Jones For The Development of 357 University Boulevard located in Petersburg, VA.

REASON: This action is necessary to facilitate the process of selling the City-owned property at 357 University Boulevard.

RECOMMENDATION: The Department of Economic Development recommends approval of the Resolution approving the Development Agreement and authorizing the City Manager and the City Attorney to execute all documents to facilitate the sale of City-owned property in accordance with applicable legal requirements.

BACKGROUND: The City of Petersburg City Council considered an Ordinance authorizing the City Manager to execute a purchase agreement related to the sale of city-owned property located at 357 University Boulevard on July 20, 2021. A Development Agreement has been drafted that requires, in consideration of the City's conveyance of the Property to Robert and Crystal Jones, that Robert and Crystal Jones shall perform the development of the property in compliance with the project summary documents and in accordance with terms defined in the Agreement. The Development Agreement shall be referenced as if set forth fully in the deed of conveyance of the Property from the City to Robert and Crystal Jones. The deed shall include provisions for the reverter described in the Development Agreement.

This resolution authorizes conveyance of the property.

COST TO CITY: Costs associated with the conveyance of Real Property

BUDGETED ITEM: N/A

REVENUE TO CITY: Revenue from the sale of property and associated fees and taxes

CITY COUNCIL HEARING DATE:

CONSIDERATION BY OTHER GOVERNMENT ENTITIES: N/A

AFFECTED AGENCIES: City Manager, Economic Development, City Attorney

RELATIONSHIP TO EXISTING ORDINANCE OR RESOLUTION: Ordinance approved on July 20, 2021

REQUIRED CHANGES TO WORK PROGRAMS: N/A

ATTACHMENTS:

1. scope of work (3)
2. 357ProposalPresentation (3) (1)
3. 357UniversityBlvdDevelopmentAgreement
4. DevelopmentAgreementResolution

For purchase and development of 357 University Blvd. as a primary residential property of Robert and Crystal Jones.

Total Budget: \$130,000

Source: FHA 203k Home Rehabilitation/Renovation Mortgage¹

Description of Work and Estimates

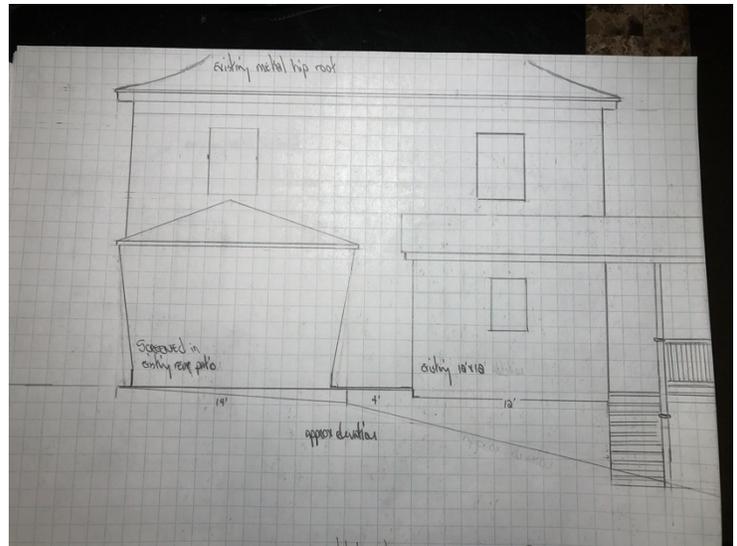
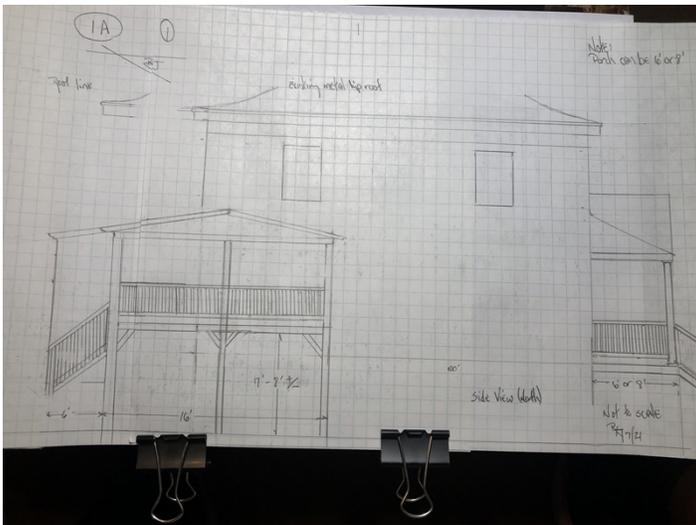
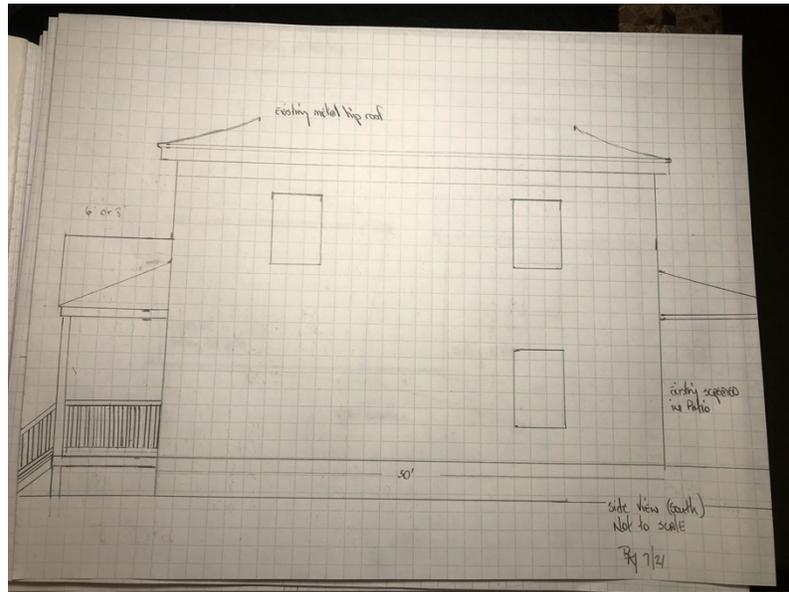
| | | |
|---|---|---------------|
| General Contractor: Precision General Contracting Tim Neville, Owner precisiongeneralcontracting@gmail.com 804-317-2516 | | |
| Timeframe: 4-6 Months (August – December 2021) | | |
| Interior and Exterior Structural Repairs, to include removal of tree on corner of University and Plum. | Up to 100% of the amount available for renovation to ensure the home meets code requirements for a single family residence. | |
| Estimates | Total Loan Amount | \$ 130,000.00 |
| | Purchase Price: | \$ 35,250.00 |
| | Down Payment 10%: | \$ 3,250.00 |
| | Amount Available for Renovation: | \$ 98,275 |
| | Labor | \$ 36,480.00 |
| | Exterior Repairs | \$21,628.25 |
| | Exterior Space Upgrades | \$15,448.75 |
| | Landscaping | \$3,089.75 |
| | Interior Redesign & Repairs | \$21,628.25 |

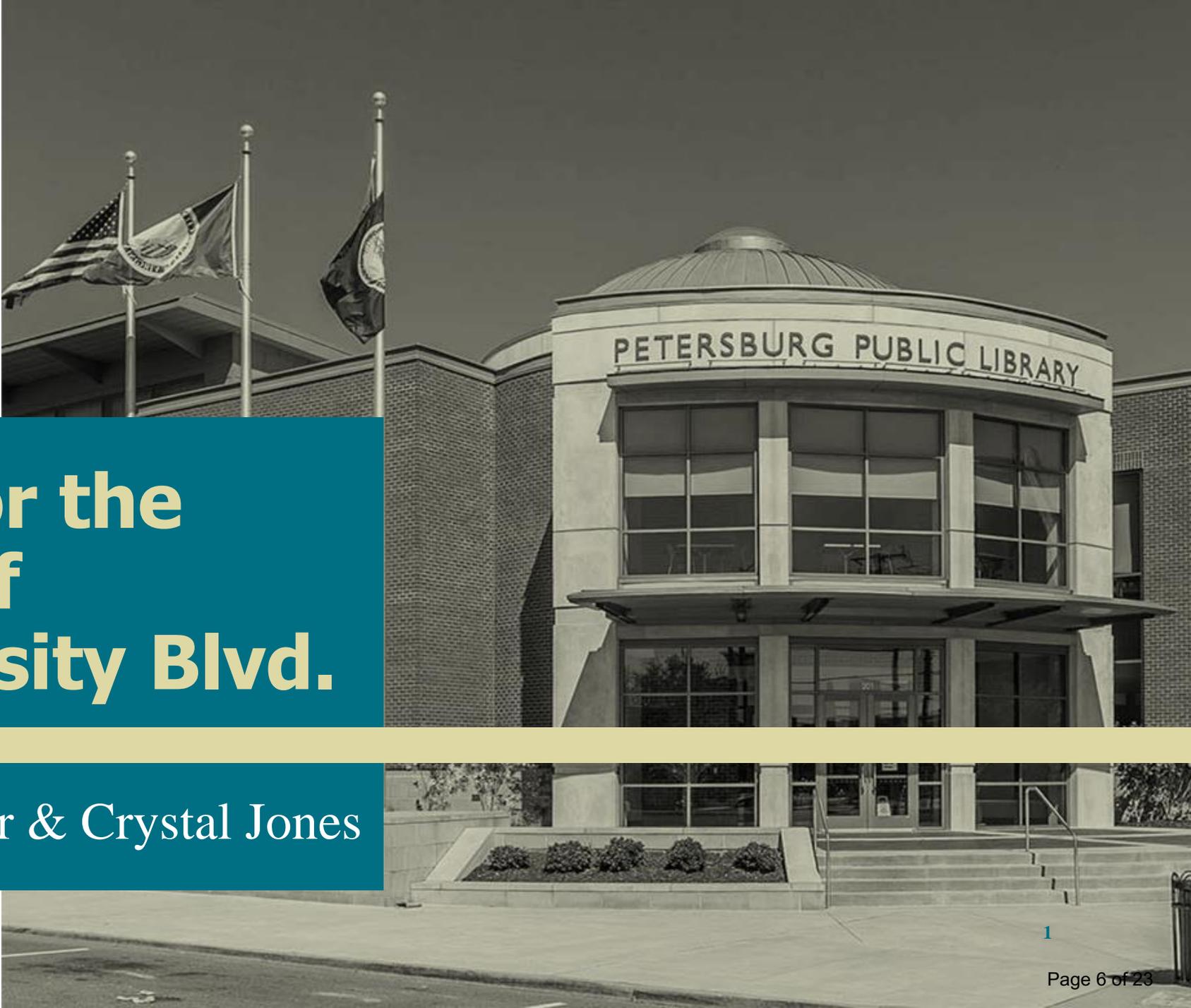
Mock ups for exterior repairs are included on page two of this document.

Based on Purchase Price outlined in the recently signed development agreement dated July 20th the following number set would apply in the estimates section:

| | |
|----------------------------------|---------------|
| Total Loan Amount | \$ 130,000.00 |
| Purchase Price: | \$ 6,800.00 |
| Down Payment: | \$ 680.00 |
| Amount Available for Renovation: | \$ 123,880.00 |
| Labor | \$ 36,480.00 |
| Exterior Repairs | \$ 30,590.00 |
| Exterior Space Upgrades | \$ 21,850.00 |
| Landscaping | \$ 4,370.00 |
| Interior Redesign | \$ 30,590.00 |

¹ See pre-Approval email attached to this document for details concerning loan. Loan process will be initiated upon council approval.





Proposal for the purchase of 357 University Blvd.

by Robert Jones, Jr & Crystal Jones



#twobecomeJones

03 | 03 | 2021

ABOUT US

Robert and Crystal Jones

Robert and Crystal are a newly married couple. Robert is a long-time resident of the city of Petersburg. The couple is currently seeking a place to build a foundation for their family and they want to make the city of Petersburg their home.



Purchase Proposal

Purchasers

Robert Leroy Jones, Jr.

Crystal Lauren Jones

Project Type: Single Family Home

Lot Size: 0.112 Acres

Property Address: 357 University Blvd
Petersburg VA, 23803

Building: 2 Story Single Family Unit
4 bedrooms
2 bathrooms

Parcel ID: 010-150029

Assessment: Land \$15,100
Building \$55,400



Purchase Proposal

Purchasers

Robert Leroy Jones, Jr.

Crystal Lauren Jones

Robert Jones, Jr.

Employer: City of Petersburg Department of Social Services

Position: Family Services Supervisor

Crystal Jones

Employer: Heart and Mind Therapy Services

Position: Marriage and Family Therapist

CONTACT INFORMATION

Phone Numbers:

1 (804) 943-0739 *Robert's Cell

1 (804)-861-4720 ext 3057 *Robert's Work

1 (804) 922-1837 *Crystal's Cell

Email:

rlj5h@virginia.edu



Purchase Proposal

Purchasers

Robert Leroy Jones, Jr.

Crystal Lauren Jones

Development Description:

Remodel of single family home for use as primary residence of the purchasers.

Offered Purchase Price:

\$2115 (cash)

(3% of assessed value)

Description of Financing:

Purchase – Cash on Hand

Repairs – Home Improvement Loan, Gifts
& Personal Loan

An aerial photograph of a city street intersection. A large, multi-story brick building with many windows is the central focus. The street has several lanes and cars are visible. In the background, there are more buildings and a hillside with trees under a clear sky.

Community Benefit

How does this proposal relate to the plans, goals and objectives identified by the city of Petersburg?

from the City of
**Petersburg Strategic
Plan**

Goal 1: Economic Development

- Promote Economic Development to Attract New Business and Strengthen the City's Tax Base
 - Objective 3: Diversify and Broaden the City Tax Base

estimated
**Property Tax
Revenues**

\$5569

**Year 1
estimate Tax
Revenue
(+sale price)**

\$28,980

**Year 5
Estimated Tax
Revenue
(+sale price)**

\$63,175

**10 year total
estimated tax
revenue
(+sale price)**

The sale of this property would result in an estimated \$63175 in property tax revenue to the city. In addition to the property tax revenue, the family will also provide revenue in the form of local sales, VAT and excise taxes.

Proposed Investments in Property and Estimated Increase in Value (10 years)

| Year | Value | Investment | Estimated Increase (45% of investment) | Estimated Property Tax Revenue |
|---|---------------|--------------|--|--------------------------------|
| 1 | \$ 70,500.00 | \$ 75,000.00 | \$ 33,750.00 | \$ 3,454.50 |
| 2 | \$ 104,250.00 | \$ 25,000.00 | \$ 11,250.00 | \$ 5,108.25 |
| 3 | \$ 115,500.00 | \$ 25,000.00 | \$ 11,250.00 | \$ 5,659.50 |
| 4 | \$ 126,750.00 | \$ 10,000.00 | \$ 4,500.00 | \$ 6,210.75 |
| 5 | \$ 131,250.00 | \$ 10,000.00 | \$ 4,500.00 | \$ 6,431.25 |
| 6 | \$ 135,750.00 | \$ 5,000.00 | \$ 2,250.00 | \$ 6,651.75 |
| 7 | \$ 138,000.00 | \$ 5,000.00 | \$ 2,250.00 | \$ 6,762.00 |
| 8 | \$ 140,250.00 | \$ 2,500.00 | \$ 1,125.00 | \$ 6,872.25 |
| 9 | \$ 141,375.00 | \$ 2,500.00 | \$ 1,125.00 | \$ 6,927.38 |
| 10 | \$ 142,500.00 | | | \$ 6,982.50 |
| 10 year anticipated tax revenue from property | | | | \$ 61,060.13 |

from the City of
**Petersburg Strategic
Plan**

Goal 2: Neighborhood Vitality

- Support community development activities to enhance neighborhoods and improve housing
 - Objective I. Prevent blight and deterioration



Artistic rendering of potential upgrades to exterior

Exterior Improvements Forecasted:

- Clearing overgrowth from property
- Installation of Solar power system
- Remolding of front entrance
- Installation of HVAC system
- General landscaping of property
- Destruction of dilapidated shed
- Regular lawn maintenance
- Replacing exterior siding and repairing damage to exterior molding and roofing



References

*For character references
related to the couple you may
contact*



Robert Jones, Sr.

Sheriff of Nottoway County VA

1 (434) 298-7752

rjones@nottowaysheriff.org



Venus Bolton

Realtor

1 (804) 467-5066

venus@ruckartre.com



Jerel Blackwell, Sr.

*Elder, Universal
Cathedral Ministries*

1 (804) 585-9441

blkx5@comcast.net

**DEVELOPMENT AGREEMENT FOR THE DEVELOPMENT OF VACANT
PROPERTY AT 357 UNIVERSITY BOULEVARD PETERSBURG, VIRGINIA
23803 AS RESIDENTIAL DEVELOPMENT**

On this 27TH day of July, 2021 came the parties, Robert Jones and Crystal Neville Jones ("Purchaser"), and the City of Petersburg, VA, a municipal corporation formed and operating under the laws of the Commonwealth of Virginia ("the City"), hereinafter collectively referred to as "the Parties," and did enter into this Development Agreement for the development of vacant property at 357 University Boulevard, Petersburg, Virginia 23803 as residential development ("the Agreement") to wit:

RECITALS

The Purchaser has presented to Petersburg City Council and the City's Administration "project summary documents" herein attached as (**Exhibit A**) outlining specific information regarding the project that is the subject of this Agreement, and which documents are hereby incorporated into this Agreement as if set forth fully herein.

The project summary documents describe the intentions of the Purchaser with regard to the purchase and remodel to a single family residential home as their permanent place of residency ("the Property"). The requirements of the project summary documents are deemed by the Parties to supplement but not supplant all requirements described in this Agreement and shall be binding upon the Purchaser with regard to the development of the property.

Upon presentation of these documents to the City by the Purchaser, Petersburg City Council did authorize the sale of the Property to the Purchaser contingent upon the execution of this Development Agreement which shall be referenced in the recorded deed for the property and include a reverter requirement for noncompliance with the terms described herein.

AGREEMENT

In consideration of the City's conveyance of the Property to the Purchaser, the Purchaser shall perform the development or the Property strictly in compliance with the project summary documents and in accordance with the following terms:

- A. The Purchaser shall be solely responsible for the development of the Property in accordance with the project summary documents, and shall comply with all Code, Zoning, and other legal requirements associated with the development.

- B. The Purchaser shall be solely responsible for obtaining all applicable permits and inspections required for the development.
- C. The City makes no representations or warranties regarding the property or its development and shall be responsible only for conveyance of the Property as described herein, which is conveyed in "as is' condition with no warranties of title or condition.
- D. The period of time described in the project summary documents during which The Purchaser is required to complete the development of the Property shall be known as the "Development Period."
- E. The Purchaser shall not be permitted to convey the property during the Development Period. Upon completion of the development of the property, The Purchaser shall notify the City who shall determine compliance and upon making such determination, certify in writing completion of the development in accordance with the project summary documents. A copy of said certification shall be provided to The Purchaser. Upon such certification, this Agreement shall cease to be effective and become null and void.
- F. Extensions to the time schedule described in the project summary documents will not be authorized except by the written consent of the City as approved by Petersburg City Council.
- G. The failure of The Purchaser to timely comply with all requirements of the project summary documents shall be considered a material breach of this Agreement.
- H. Upon material breach of this Agreement, the City shall provide The Purchaser with written Notice describing the breach. Upon receipt of written Notice of Breach, The Purchaser shall have thirty days to cure. The failure to cure the material breach within the thirty-day period shall result in default.
- I. All Notices and other correspondence sent pursuant to this Agreement shall be sent to the following persons and addresses:

To the City:

City Manager (with copy to City Attorney)
135 North Union Street
Petersburg, VA 23803

Notices may be sent via Hand Delivery, Courier, First Class Mail, Certified Mail, Registered Mail or other similar standard business delivery service and shall be effective upon receipt.

- J. This Agreement shall be referenced as if set forth fully in the deed of conveyance of the Property from the City to The Purchaser and shall run with the land until such time as all requirements are completed. The deed shall include provisions for the reverter described herein.
- K. The “original purchase price” for the Property shall be defined as the amount paid by The Purchaser to the City to facilitate the transfer of the property thirty five thousand two hundred fifty dollars (\$35,250).
- L. Upon Default by the Purchaser, the City shall retain 100% of the purchase price and shall record the Notice of Default which shall cause the Property to automatically revert to the City.
- M. This Agreement shall be binding upon The Purchaser and successors in interest until such time that the obligations are concluded and the Agreement is declared to be null and void in accordance with the terms described herein.
- N. This Agreement shall be construed under the laws of the Commonwealth of Virginia. Any dispute arising from the performance or non-performance of any requirement described herein shall be litigated solely in the Circuit Court for the City of Petersburg, Virginia.
- O. If any provision of this document is deemed by a Court to be contrary to applicable law, the remaining terms shall continue in full force and effect.

By signing below, the undersigned parties represent that they have the authority to bind and do hereby bind their respective entity to all terms of this Agreement.

PURCHASER

By: _____

Printed name: _____

CITY OF PETERSBURG, VIRGINIA

By: _____

Stuart Turille, City Manager

Approved as to form:

By: _____

Anthony C. Williams, City Attorney

**A Resolution Authorizing The City Manager To Execute A Development Agreement
Between The City Of Petersburg And Robert and Crystal Jones For The Development Of
357 University Boulevard located in Petersburg, VA**

WHEREAS, The City of Petersburg City Council approved an Ordinance authorizing the City Manager to execute documents related to the sale of city-owned property located at 357 University Boulevard on July 20, 2021; and

WHEREAS, A Development Agreement has been drafted that requires, in consideration of the City's conveyance of the Property to Robert Jones Jr and Crystal Jones, that Robert and Crystal Jones shall perform the development of the Property in compliance with the project summary documents and in accordance with the terms in the Agreement; and

WHEREAS, the Development Agreement shall be referenced as if set forth fully in the deed of conveyance of the Property from the City to Robert and Crystal Jones; and

WHEREAS, the deed shall include provisions for the reverter described in the Development Agreement.

NOW therefore be it RESOLVED that the City Council of the City of Petersburg hereby approve the Development Agreement between the City of Petersburg and Robert and Crystal Jones.

Be it further resolved, the City Manager and City Attorney are hereby directed to take all necessary action to facilitate the sale of the subject property consistent with the terms described in the Purchase and Development Agreements.