

Minutes of the Navy Hill Development Advisory Commission December 18th Public Hearing

Wed., Dec. 18, 2019

6:00
PM

Hickory Hill Community Center
3000 East Belt Boulevard, Richmond, VA

Members Present

Pierce Homer (Chair), John Gerner (Vice Chair), Grindly Johnson, and Mimi Sadler.

Call to Order

Pierce Homer called the meeting to order and welcomed the attendees.

Introductions

Individual commission members introduced themselves.

Disclosures

There were no disclosures at this meeting.

Freedom of Information Act (FOIA)

There were no FOIA requests since the December 17th public hearing.

Public Comment Period

There were 24 speakers. Jalissa Daniel supports the Navy Hill project because it provides more money for schools and roads. Marniqua Washington supports the project because it adds jobs. Pamela Irving supports the project because it's a good project for the downtown area. Debbie Rowe rejects the project because of its process and TIF district impact. Charles Royster is very supportive of the project. Eric Madison supports the project because people need jobs. Omari Al-Qaddafi opposes the project because of the arena's planned operator (Spectra) discrimination lawsuits. Victor Landry works for Spectra and talked about its local minority efforts. Helena is a local restaurant manager and opposes the project because cannibalization from restaurants in the TIF district would hurt locally-owned restaurants. James Fobbs Jr. supports the project because downtown Richmond needs a change. Dr. Malcolm is a food truck owner and supports the project because it would be an anchor project that would attract other businesses to the city. Regie Ford is in favor of the project because Richmond needs something on this vacant land. Thomas Hairston is in the music business and said there's demand for concerts at a new arena. Khayee Peck supports the project. Reginald Bates supports the project, but is concerned that Richmond residents won't get the best jobs. Charles Willis is president of the Jefferson Davis Neighborhood Civic Association and supports the project because its opportunities. Former City Council president Michelle Mosby supports the project because of the many benefits it provides. Sandra Antoine supports the project because of its opportunities and pointed out recent developments in Henrico and Chesterfield counties. Joyce Smith is concerned about those without transportation to jobs in the counties and those with housing vouchers that don't have a place to live. Devin Caines said Richmond has grown a lot in recent years, but much of that growth hasn't helped all residents. Grace Washington is CEO of J&G Workforce Development and supports the project. Beverly Fox is a concert promoter and supports the project because her large events can not currently be accommodated in Richmond.

Whitney Whiting and Michael Hartsough spoke at the public hearing and provided follow-up email messages. These are attached. Allan Chipman and Pat Levy-Lavelle emailed written public comments, which are also attached.

Adjournment

Audio Recording of Entire Public Hearing

Available at:

http://www.navyhillcommission.org/2019-12-18_Navy_Hill_Commission_Hearing.mp3

Navy Hill Development Advisory Commission

Public Hearing Speakers

Name	General Description of Where You Live
Jalissa Daniel	Richmond
Marnique Washington	Richmond (East)
Pamela Truong	Richmond
Debra Spivey	Richmond
Charles Royster	Richmond
Eric Madison	Richmond
Omar Al-Qatalli	Richmond Resident
Victor Landy	Petersburg (Spectre)
Helen C. Cawt.	Richmond VA (business owner/manager)
JAMES FOBBSEN	CHESTERFIELD CO
Dr. Mahan	Chesterfield
Regie Ford	Richmond
Thomas Harston	Richmond VA
Khayree Peck	Richmond VA
Michael Hartsough	5th District RVA
Reginald Bates	8th district RVA

Navy Hill Development Advisory Commission

Public Hearing Speakers

Name	General Description of Where You Live
Charles Willis	Jefferson Davis Hwy
Michelle Mosby	Help me Help You
Sandra Antoine	South Richmond
Joyce K Smith	South Lockwood
Devin Caines	Manchester
Grace Washington	JTG Workforce
Beverly Fox	Hosea Productions
Whitney Whiting	Forest Hill / 4th district

Navy Hill - Written Public Comment

Pat Levy-Lavelle <pslavelle@yahoo.com>

Thu 12/19/2019 3:32 PM

To: All Members <members@navyhillcommission.org>

Dear Members of the NH Commission:

I am a City resident living in the First District. I am opposed to the Navy Hill project. Our City has many needs, including schools, affordable housing, roads and other basic infrastructure that supports the City's residents, particularly with those of low and moderate incomes. The Navy Hill project represents a misprioritization of resources. The TIF district is far too large to be justified, and the diversion of increased City taxes from the TIF district represents lost funds for these basic needs. Meanwhile, the Navy Hill project will result in fewer state dollars flowing to Richmond Public Schools due to the state's funding formula. The City's bond capacity should be used to replace crumbling City schools rather than building a new coliseum. And the publicly-owned parcels slated for transfer to private developers as part of the Navy Hill project should be appraised and then disposed of -- if at all -- for market value; the present plan allows private developers to have them for a small fraction of market value. The publicly-owned parcels are a key community resource, and a community planning process should consider alternative, community-based uses such as land for schools or parks -- so that the parcels can be used for the highest and best use. Navy Hill's "affordable housing" -- with one-bedroom "affordable" units starting at over \$1000 per month -- is anything but affordable for the families who the City's own Consolidated Plan says lack affordable housing in the existing market. TIF districts elsewhere for things like stadiums (which never pay for themselves, even when they do have resident tenants like sports teams) have proved devastating for cities. Richmond cannot write off its own future and that of its citizens, for decades, by agreeing to this scheme. Thank you for your work and your sincerity in describing the risks the Navy Hill project poses for the City.

Sincerely,
Pat Levy-Lavelle

Comments to the Navy Hill Development Advisory Commission re: NH District Corp. Proposal and Democratic Process

Submitted by Whitney Whiting, resident of 4th District, on December 18, 2019

In regards to the Navy Hill development proposal, I wanted to speak to you about democratic process. First, I wish for us to once and for all bury the notion that the project before us started with the Mayor's Request for Proposals. It's an undisputed fact that the idea for a new arena originated with Tom Farrell, according to some, as far back as 2011. In fact, it's now common knowledge amongst those of us paying attention, that Farrell's corporation, [Dominion Energy, registered the domain name DominionEnergyArena.com on Feb 6, 2017](#) - a full 9 months before the Mayor released his RFP, and on the same day that Dominion chose to rebrand their company name and logo. This is important because it changes the nature of the story we've been told about this deal, who it's for, who benefits from it and who's making the decisions for our City's collective future.

And to be quite frank, Tom Farrell is the number one reason why I don't trust the promises and carefully crafted sales pitches. I've studied and documented Dominion's behavior in communities across this Commonwealth for the past 5 years. I've watched them [harm communities of color](#) in order to get what they want. We've seen them straight up [lie to state agencies](#) and we've seen them [use their influence to manipulate the democratic process of citizen boards](#), just like this one, when it looked like things weren't going their way. I want to get those specifics on the record here, because these things matter when we're talking about good faith in promoting racial equity or equitable governance in general. It matters that Spectra is owned by a corporation that is currently facing a [racial discrimination lawsuit](#) for violating some of our oldest civil rights laws. It matters that C.T. Hill was head of the

Mid-Atlantic department of Suntrust while it's mortgage department used [racially discriminatory practices](#). It matters that Susan Eastridge was found guilty of setting up alter-ego shell companies in order to [avoid paying people for their work](#). It matters that Tom Farrell was the Chair of the Richmond Performing Arts Center when it [tried to avoid paying almost 2 million in back taxes](#) that it claimed it couldn't pay. And it matters that Tom Farrell is a master at getting what he wants, because what's good for Tom Farrell and friends is rarely ever good for the rest of us.

Going back to the RFP, it deeply confuses and concerns me why the original RFP releases itself from being subject to virtually any City Code, Chapter 21 or otherwise. [As stated on Page 1 of the original Request for Proposals released on November 9, 2017](#), *"This Request for Proposals ('RFP') does not represent a procurement. Therefore, the process described herein is not subject to Chapter 21 of the City Code or any other public procurement law."*

This is crazy to me. Talk about non-recourse. We have no recourse for accountability in this process at all and the Mayor's RFP set it up that way from the start, through some form of executive magic. This goes back to the nature of the story that we're being told, that this started with the Mayor's Request for Proposals, when we know that that simply isn't true.

It seems that what we have here is what [City Code Chapter 21 Article IX actually refers to as an "unsolicited proposal" from a private entity](#). Which is perfectly fine. There's nothing wrong with that. There's a whole process for it in the City Code, including a provision for a reasonable review fee not to exceed \$50,000, which was the submission fee for the Mayor's RFP incidentally. However, what I find most interesting about the process outlined in the City Code, is that when the City receives an

unsolicited proposal, they're required to notify and seek competitive proposals in response to the unsolicited one. And the reason for this according to the statute is to "*encourage competition.*" According to City Code, Chapter 21 Article ix Section 21-307d,

"If the City chooses to accept an unsolicited proposal for conceptual-phase consideration, it shall post a notice in a public area regularly used by the City for posting of public notices for a period of not less than 45 calendar days. The City shall also publish the same notice in the Virginia Business Opportunities publication and in one or more newspapers or periodicals of general circulation in the City to notify any parties that may be interested in submitting competing unsolicited proposals."

Further, this section states:

"Such notice shall be so posted and published as to allow for a reasonable period determined by the Director to be appropriate to encourage competition and public-private partnerships pursuant to the goals of this article, such period not to be less than 45 calendar days, during which the City will receive competing proposals"

To the best of my knowledge, that's not what was done here. Even though there's ample evidence to suggest that an unsolicited proposal is what came before the Mayor. Instead of following the law laid out in City Code, Mayor Stoney wrote the RFP to say that it's not subject to any existing Code, only to the whim of the RFP itself which insists on a "New Arena." This should be of absolute concern to every City Council member and it should alarm my fellow residents.

This brings us to another key assumption baked into the RFP - that the City has an arena crisis. New-arena-advocates utter these exact words. This is highly offensive. It's almost as offensive as claiming to be a non-profit with the purpose of alleviating the burdens on city government and then claiming your deal will fall apart if you add a mere 40 extra units of so-called "affordable housing." ***The developers are literally***

saying that they can't even guarantee the basic minimum that our City Council has determined is a need without losing their financial backing. If the deal is supposed to be such a guaranteed success, how would 40 extra units break it? If we take them at their word, then we should be extremely wary of the riskiness of this deal. And if we DON'T take them at their word, then our City Council shouldn't be considering any of it.

In the last few months, leading organizations like Richmond Educators Association, Legal Aid Justice Center, Partnership for Smarter Growth, and others, have released their own statements opposing the Navy Hill Redevelopment. I imagine this has many of the developers feeling a little frustrated because they've tried so hard to teach us how good a deal this would be. Perhaps it's time for Tom Farrell and his friends to finally be the good neighbors they want to be, and heed this advice from one of the best neighbors, Mr. Rogers who spoke these words to Congress in a plea to retain critical funding for a public good: *"What do you do with the mad that you feel, when you feel so mad you could bite? When the whole wide world seems oh so wrong, and nothing you do seems very right? It's great to be able to stop when you've planned a thing that's wrong, and be able to do something else instead, and think this song: I can stop when I want to, can stop when I wish, can stop, stop, stop anytime. Know that there's something deep inside that helps us become what we can."* <https://www.youtube.com/watch?reload=9&v=fKy7ljRr0AA>

This plan is nothing but risk for the City and the people who live here. In your response to City Council, I urge you to please consider not only the inherent risk to people but the undemocratic process that's gotten us here. I sincerely thank you for all that you've taken on, and along with you, will celebrate when it is over.

To: Navy Hill Development Advisory Commission

Supplementary links corresponding with comments submitted by Whitney Whiting,
December 18, 2019

June 27, 2017: Richmond BizSense first reports new arena plan already “in the works”, including details of Dominion buying domain name same day as they announced their re-brand, and references a 2011 new arena feasibility study paid for by Dominion, et al.

<https://richmondbizsense.com/2017/06/27/sources-new-arena-in-the-works-to-replace-coliseum/>

November 9, 2017: Mayor Stoney Announces RFP - see Page 1 for language releasing RFP from subjection to City Code Chapter 21 or any public procurement law

<http://www.richmondgov.com/PressSecretaryMayor/robocopy/documents/RFP-North-of-Broad-Downtown-Development.pdf>

City Code Chapter 21 Article IX:

https://library.municode.com/va/richmond/codes/code_of_ordinances?nodeId=PTIICICO_CH21_PUPR_ARTIXPUVPA_S21-307SANSPR

November 10, 2017: Richmond BizSense When asked to respond to the ideas already put forward by NH District Corp, Stoney admits he’s “well aware of their ideas, but this is a City of Richmond project.”

At the time, spokesperson Jeff Kelley said, “We look forward to reviewing the RFP and to a competitive process that moves the city forward.”

<https://richmondbizsense.com/2017/11/10/race-redevelop-aging-richmond-coliseum/>

October 16, 2018: StyleWeekly, Tom Farrell’s \$1 Billion Dollar Idea

<https://www.styleweekly.com/richmond/tom-farrells-1-billion-idea/Content?oid=12096982>

November 8, 2018: Mayor’s Announcement of Support for NH District proposal

<https://richmondbizsense.com/2018/11/05/1-4b-coliseum-redevelopment-plan-receives-mayors-support-now-goes-city-council/>

February 2019: Alternative Proposal (which went unconsidered)

<https://richmondbizsense.com/2019/02/14/breaking-news-local-developer-submits-alternative-proposal-coliseum-rehab/>

November 9, 2019: Affordable housing a sticking point in \$1.5 billion downtown redevelopment plan (“*Richmond Mayor Levar Stoney’s administration told the council earlier this month that increasing the number of affordable units in the 10-block area where NH District Corp.’s buildings are slated to go ‘may affect project feasibility’ and require ‘further negotiation’. To satisfy the council policy requirement, NH District Corp. would have to convert 39 of the market*”)

rate units in the project's footprint into affordable ones. Alternately, if the developers would rather keep the same number of market rate units, they would have to add 46 affordable ones in the project's footprint to clear the bar.”)

https://www.richmond.com/news/plus/affordable-housing-a-sticking-point-in-billion-downtown-re-development-plan/article_f1a61424-584e-5082-8774-38d3516223bb.html

Additional links:

<https://www.nbcnews.com/news/us-news/how-money-stokes-divide-historic-black-community-virginia-pipeline-battle-n943236>

https://www.newsadvance.com/nelson_county_times/news/forest-service-accuses-atlantic-coast-pipeline-of-shoddy-soil-collection/article_97947fa6-8591-11e5-a405-7f09275bc8c9.html

https://www.richmond.com/news/local/government-politics/northam-removes-members-from-air-board-before-buckingham-project-vote/article_003aee77-3209-569a-8ef7-7f3584a9d1f8.html

<https://www.nytimes.com/2019/11/23/business/media/byron-allen-fights-comcast.html>

<https://www.justice.gov/opa/pr/justice-department-reaches-21-million-settlement-resolve-allegations-lending-discrimination>

<https://www.leagle.com/decision/200681047calrptr3d7631752>

<https://www.styleweekly.com/richmond/after-the-show/Content?oid=2143145>

Navy Hill Proposal Comments (developable parcels, community benefits, city subsidies, and process)

Michael Hartsough <hartsoughmd@gmail.com>

Wed 12/18/2019 4:53 PM

To: John Gerner <johngerner@navyhillcommission.org>; Pierce Homer <piercehomer@navyhillcommission.org>

Gentlemen,

Please see my letter attached and please forward to other commission members. I'm very appreciative of all commission members' time and consideration. I regret not being able to provide my comments sooner, however I look forward to the commission's final report.

Regards,

Michael Hartsough, AICP
5th District resident

“The Politics of Knowledge”

Dear Members of the Commission,

Thank you for taking time from your other obligations to collect, process, and analyze an enormous amount of information to protect the interests of Richmond’s citizens. I have listened to every recording of your meetings, beginning to end, referenced the presentations provided by you, City Administration, and invited stakeholders, and followed the public comments with keen attention. In listening to the December 14th recording, I have thought long and hard about this meeting and the resulting discussions, which raise four issues worthy of your consideration.

1) Refuting assertions that city-held developable parcels are not marketable to the private sector.

Over the past decade, there have been at least two known private developer proposals, identified by local media outlets, that could have been constructed on parcels that will be part of the Navy Hill project. I provide a reference link to the media for each instance. In 2006, Richmond’s largest hotel operator, PC Amin, was reportedly looking to replace the Sixth Street food court and preserve the Blues Armory in a hotel redevelopment project but was rebuffed by the city. Secondly, an \$86M 18-story project dubbed “City Center” was proposed by Robert Englander in 2016 in what is identified as Parcel “U” (bounded by Grace and Franklin Streets between 6th and 7th Streets). For reasons unknown, the City Council vote on this project was deferred numerous times until the developer dropped the project.

I would caution against applying the inactivity of developers in the 1990s to assumptions about current and future viability of development parcels in urban areas. The city’s population has grown 12% between 2010 and 2018 to 227,000 people, a staggering number that is well beyond the 2012 projections UVA’s Weldon Cooper’s assumed for Richmond by 2040. It is well documented that millennials and young professionals want to live in urban environments across the US. Concurrently, many baby boomers and empty nesters are also looking to downsize from large, suburban homes with expansive yards and settle in urban areas where there are amenities, arts, and culture nearby to enjoy during retirement. To say these parcels cannot be developed defies logic and is based on retreading outdated demographic shifts which occurred between the 1970s and 2000s, not 2019. In addition to this, a list of nearly 350 accolades the City has received since 2012 from national and global publications was published in the RTD in 2018 – and this list continues to grow – the accolades provide immeasurable marketing power for the city and the region as a whole as a great place to visit and live.

February 2007 – Empty Promises (Amin – Richmond’s largest hotel operator) <https://m.styleweekly.com/richmond/empty-promises/Content?oid=1374389>

December, 2016 – City Center Development <https://richmondbizsense.com/2016/12/06/86m-tower-eyed-for-e-grace/>

August, 2019 – Navy Hill Development Parcels <https://richmondbizsense.com/wp-content/uploads/2019/08/NavyHillProjectArea.jpg>

February 2018 - https://www.richmond.com/news/local/a-list-of-the-nearly-accolades-for-the-richmond-region/article_0dc5a214-471e-58ed-bd2c-cee7461d06f2.html

2012 – Weldon Cooper Population Estimates for Richmond (pg. 17) <http://gwregion.org/wp-content/uploads/2012/10/GWRC-Review-WCCPS-Prelim-Projections-2.pdf>

2019 – Updated Estimate <https://wtkr.com/2019/02/01/virginia-sees-population-booms-big-declines/>

My Takeaway: Developer interest in Navy Hill area has existed in the past and, based upon recent demographic trends, will continue to exist or even be more prevalent, even in the absence of the NHDC proposal. History demonstrates that city ownership of the land is the true impediment to private development of the parcels.

2) Refuting assertions that Navy Hill street-grid improvements are a significant community benefit.

I contest the assertion that reconnecting the street grid of Navy Hill is required, or of significant community benefit to the City. Restoration of the grid, by way of demolishing the 6th Street Marketplace, was attempted as recently as the mid-2000s, through the Broad Street Community Development Authority, which turned out to be a financial and management catastrophe for the city. The narrative of this article is eerily similar to what proponents of Navy Hill claim and state today.

Whom would restoring the grid of the Navy Hill project area benefit? The narrowly focused area would merely create a cul-de-sac of developable parcels, the boundaries of which are constricted from expanding beyond I-95 to the north, topography to the east, and the 3-block-long wall of the Greater Richmond Convention Center to the west that cuts Jackson Ward off from Navy Hill and generates little to no street activity during most hours of the day on weekdays and weekends.

April 2010 – Broad Street CDA Bailout <https://m.styleweekly.com/richmond/bailout/Content?oid=1373345>

My Takeaway: There is little community benefit to restoring the street grid of Navy Hill, primarily due to geographic obstructions caused by past Federal and City-funded infrastructure projects that prevent connectivity from expanding further.

3) Identifying a new problem: The continuing subsidy for the Richmond Convention Center (The Street Grid Disruptor) and other subsidized performance venues

Why is the burden of maintaining the Coliseum at \$1.5M annually of greater issue to the Mayor, when the city's annual outlay to GRCC is far greater than that and increasing year over year. GRCC is an asset with no accountability, performance metrics, or quantifiable economic benefits to the city. The argument for maintaining its subsidy is continually suggested and implied through subjective platitudes (because every city needs a convention center! – we draw events and out-of-town visitors) without evidence to support it. This is deeply concerning and has been ignored in discussing the merits for or against the Navy Hill project.

You might think GRCC is out of the scope of this discussion, when I believe it is inextricably linked to the Navy Hill project. Promises of a new headquarters hotel to greatly increase associated bookings and events at the convention center do not happen unless we agree to pay for an arena – This is the Navy Hill or “Do Nothing” choice we have before us. One could argue that 20th Century “convention center hotel” concepts are no longer relevant with widely available 21st century technology applied across the business space (use of web conference technology, internet access, and smart phones) that can be utilized anywhere. Perhaps booking in bulk is not the preferred way for conference attendees to visit. As the popularity of AirBnbs and VRBOs increase, they provide new opportunities and choice to convention-goers in a variety of room configurations, geographic location, and character, allowing users

to experience living in a city's walkable and architecturally interesting and varied neighborhoods. Even before AirBnBs and short-term house and apartment rentals existed, **the President and Chief Executive of the Richmond Metropolitan Convention & Visitors Bureau, Jack Berry**, in 2006 claimed "The phenomenon nationwide is that people are booking hotels out of block".... explaining that convention-goers are more apt to book their own rooms instead of using the convention hall's planners. While officials used to track hotel-room nights, in the last couple of years (from 2006 prior) "it's just something I've not really needed to do." (and GRCC hasn't since 2006, to my knowledge).

So, what's the true economic benefit of GRCC to the city if it needs to pay an \$8M subsidy (that is increasing annually) to it? Without hard data, it's impossible to know, but it's a critical consideration in the Navy Hill puzzle. How much longer should the taxpayer subsidize a failing enterprise that obstructs the "street grid" and connectivity between Navy Hill and Jackson Ward and seeks even more subsidies by way of the arena's construction?

Other examples of large subsidies the City of Richmond allocates annually include the Redskins Training Camp, Carpenter Theater, Stone Brewing, Main Street Station, and 17th Street Market. How will the addition of the Blue's Armory private development "event spaces" affect usage and revenues of city subsidized assets? There are not enough events to go around to fill up everything Richmond already pays for.

February 2007 – Empty Promises (Convention Center) <https://m.styleweekly.com/richmond/empty-promises/Content?oid=1374389>

December 2009 – Struggling Convention Center <https://m.styleweekly.com/richmond/convention-center-still-struggling/Content?oid=1368096>

February 2011 – Conventions Down <https://m.styleweekly.com/richmond/conventions-down-in-richmond-andmdash-again/Content?oid=1442208>

November 2014 – Carpenter Theater Bailout <https://m.styleweekly.com/richmond/after-the-show/Content?oid=2143145>

March 2017 Five Takeaways from Stoney's Budget (see topics 2 through 5) <https://m.styleweekly.com/richmond/five-takeaways-from-mayor-stoneys-681-million-richmond-budget/Content?oid=2717275>

April 2017 – Main Street Station and GRCC subsidy https://www.richmond.com/news/local/renovated-main-street-station-pitched-as-grand-new-event-space/article_858a51b1-61fb-5475-9dcd-559276a891d9.html

My Takeaway: City subsidies for GRCC are drastically higher than the Coliseum on an annual basis, yet the GRCC is not beholden to metrics that could clearly define its positive or negative fiscal and social impact to the city. No additional public subsidies should be approved directly benefiting the GRCC until the organization can consistently record and release annual, quarterly, or monthly performance data and quantify the value in funding its continued operation.

In addition, all public subsidies the City allocates to assets that compete with privatized functions identified in the Navy Hill proposal (event space, music venues) must be documented. Without an understanding of this, we cannot quantify how the city would be competing against itself and city-owned assets.

4) The Great (Non)Debate

Sadly, I believe that the mere existence of the Navy Hill Development Advisory Commission is a direct indictment of the Navy Hill Project and procurement process from which we all must now react to. The ever-changing complexity of performance metrics, financials, underlying assumptions, and varied

project risks scream loud and clear that the Navy Hill option is too unwieldy for even the brightest of Richmond's citizens to grasp and understand, let alone have multiple city administrations manage over a 30-year period. It should not take a panel of freelance lawyers, architects, and other consultants to realize this binary choice is not in the best interests of anyone living in Richmond.

Since the initiation of the RFP process, **Richmond has been negotiating from a position of total weakness**, - this flies in the face of increasing demographic shifts to the city, billions of dollars of investment under construction, and restoration of whole neighborhoods from underutilized, blighted condition – its as if our leadership does not recognize Richmond to be one of the hottest locations in the US to move to, start a business in, or recreate in. Only receiving one RFP response was the result of incompetent governance. Best practices and basic good governance would have resulted in an open, broad-based RFP that encouraged creative ideas, multiple alternatives, and positive outcomes to choose from. Instead, we are left holding the bag, forced to make a binary choice – Navy Hill or “Do Nothing”.

City Council and Richmond citizens are on the receiving end of a top-down, exclusive, and limited approach to Navy Hill's redevelopment. The man who spearheads the effort has untamable political weight and influence over our city, dictating to our political leaders what is needed and what should be.

In the wake of this disastrous and secretive process, we have experienced knee-jerk decision making and undue influence over our governing processes. The supposed community benefits generated by the Navy Hill Development are baby carrots held out underneath a giant stick wielded by Tom Farrell and his marketing team, that will come whacking down on us when it is not approved. This near tyrannical process has resulted in several negative outcomes already to our populace:

- 1) No competing bids means ZERO negotiating power is exerted by the City Administration to maximize project benefits for the community, especially for those who are in the most need
- 2) August 2018 - Proposed displacement of the Cold Weather Shelter from the Public Safety Building to a temporary location. This relocation option coincided with the Navy Hill proposal to develop the Public Safety Building Parcel. Initially planned for a fast-growing residential area of Manchester Neighborhood without explanation of alternative locations, it met a swift, negative reaction by Manchester residents. It is still unknown where the Cold Weather Shelter will be permanently located.
- 3) November 2018 - Proposed relocation of Social Services to the extreme southside of Richmond proper, a week after public release of the Navy Hill proposal. This site is far away from other city services and not centrally located for most Richmond residents and was decided without public input. It is still unknown where this will be permanently relocated to.
- 4) December 2018 - Displacement of VCU graduations due to the immediate closure of the Coliseum at the end of 2018.
- 5) An inactive Coliseum that has not generated activity north of broad street in almost a year.
- 6) Snide remarks and snickering by project proponents at numerous public events towards commenters who oppose the Navy Hill plan.
- 7) Constant social media advertising by the “Non-Profit” Navy Hill, LLC to push an agenda for approval of the project. A paid proponent even paid gas and transportation expenses to individuals to attend public meetings in a show of support for the project.

Of greater concern, is how this process has divided citizens, neighbors, and friends. We are debating the merits of very minor community benefits delivered by the plan (affordable housing that's not so

affordable, minority business participation that can be promised but not guaranteed, a 'reconnected' street-grid for a cul-de-sac, and additional subsidized event space).

The problem lies in that this plan tries to appease all of Richmond's social problems, but really addresses none in a significant way. Spending upwards of \$600M over the life-cycle of this arena project, based on FUTURE revenues, is indicative of the dire financial position this city is in. We cannot risk future generations on the promises and misguided vision of Tom Farrell.

June 2017 (Farrell developing a pitch before the RFP is issued) [https://www.richmond.com/news/virginia/government-politics/possible-replacement-of-richmond-coliseum-seen-as-catalyst-for-broader/article_f5dae387-35f9-54f4-9dc0-0771b44f52df.html?mc_cid=880d0e649f&mc_eid=\[UNIQID\]](https://www.richmond.com/news/virginia/government-politics/possible-replacement-of-richmond-coliseum-seen-as-catalyst-for-broader/article_f5dae387-35f9-54f4-9dc0-0771b44f52df.html?mc_cid=880d0e649f&mc_eid=[UNIQID])

July 2017 (Farrell developing a pitch before the RFP is issued) - <https://m.styleweekly.com/richmond/dominions-chief-executive-wants-to-redevelop-the-richmond-coliseum/Content?oid=3771797>

August 2017- Richmond Top Power List - <https://m.styleweekly.com/richmond/the-2017-richmond-power-list-economy/Content?oid=4359654>

October 2017 – A man of Influence (Tom Farrell) https://www.richmond.com/a-man-of-influence-dominion-energy-chairman-and-ceo-s/article_5485772a-ae9c-11e7-8a7d-eb84b48e60e5.html

November 2017 – RFP Issued - <http://richmondvirginiamayor.blogspot.com/2017/11/city-issues-request-for-proposals-for.html>

August 2018 – Manchester Cold Weather Shelter - <https://richmondbizsense.com/2018/08/07/developers-nonprofit-weigh-proposed-homeless-shelter-move-manchester/>

November 2018 – Social Services Relocation to Southside - <http://richmondfreepress.com/news/2018/nov/08/mayor-stoney-pushes-14b-plan-revitalize-downtown/>

August 2019 – Social Services relocation undecided - <https://richmondbizsense.com/2019/08/02/mayor-readies-navy-hill-plan-city-council-review/>

My Takeaway: There is a binary option before council – Navy Hill or “Do Nothing”. Therefore, I believe the commission’s charge is the same. Say no to this set of ordinances. The RFP process never unfolded the way an RFP process is intended. Working around the edges of an unworkable ‘solution’, dictated by one man, is not democratic, nor is it in the best interests of a STRONG and DESIRABLE PLACE TO LIVE.

In addition, I am concerned this failed RFP process is ripe for litigation. This is a significant risk that City Council should be aware of should they approve the set of ordinances. Additional time, money, and resources would be used by the City to defend the Navy Hill proposal. How that plays out may ultimately scuttle the deal anyways.

Thank you for your consideration.

Michael Hartsough, AICP

5th District Resident

Re: Public Comments for 12-18-19 Public Hearing

Allan-Charles Chipman <allan-charles.chipman@iofc.org>

Wed 12/18/2019 5:00 PM

To: All Members <members@navyhillcommission.org>

Cc: John Gerner <johngerner@navyhillcommission.org>

Good Afternoon,

It appears that I missed the deadline for written comments to the Dec 16th meeting. Please attach my previous email as the notes for the December 18th meeting. I will not be able to attend due to it being my wife's birthday. I would like to enter my prior email below as well as this one as my written comments for tonight.

I just recently saw NH District Corp's response concerning Spectra and I reiterate and point to the case law

https://www.govinfo.gov/content/pkg/USCOURTS-njd-1_15-cv-01730/pdf/USCOURTS-njd-1_15-cv-01730-0.pdf

They uttered these same points during the court case and the court did not side with them due to what was proposed in the evidentiary record. This court case occurred just last year in 2019. I am discouraged to see that they continue with the mistruths in trying to avoid their direct ties with Comcast despite their CEO was the CFO during the NBC Universal acquisition. Their HR director rewarded racism and sexism and the court decided they condoned and promoted such a work environment. Sending a minority worker (for the first time during this process) to try and erase the evidentiary record of the court cannot and does not erase the facts. Organizations can hire people of color and still have a workplace that is hostile towards them. This is why acts such as the civil rights act of 1991 had to come to pass. I have done work in corporate America working as an advocate between people of color and Human Resources. Rewarding racism and sexual harassment is still a glaring problem for this organization and its sole investor Comcast.

Thank you,

Allan-Charles Chipman
Initiatives of Change USA

2201 West Broad Street, Suite 200, Richmond, VA 23220

T: 804-387-9131 E: allan-charles.chipman@iofc.org

IofC: www.us.iofc.org TRHT: www.greaterRVA.org



Public Comments for 12-16-19 Public Hearing

Allan-Charles Chipman <allan-charles.chipman@iofc.org>

Wed 12/18/2019 4:35 PM

To: All Members <members@navyhillcommission.org>

Cc: John Gerner <johngerner@navyhillcommission.org>

■ 4 attachments (4 MB)

The Historical Roots of Tax Increment Financing, or How Real Estate Consultants Kept Urban Renewal Alive. Available at http://www.navyhillcommission.org/The_Historical_Roots_of_Tax_Increment_Financing.pdf

Louisville KY TIF Job Incentives. Available at: http://www.navyhillcommission.org/Louisville_KY_TIF_Job_Incentives.pdf

Tax Incentives and Job Creation in MD & VA. Available at: http://www.navyhillcommission.org/Tax_Incentives_and_Job_Creation_in_MD_&_VA.pdf

New Orleans Idea for TIF regulation. Available at: http://www.navyhillcommission.org/New_Orleans_Idea_for_TIF_regulation.pdf

Greetings Members of the Independent Commission,

My name is Allan Chipman and I live in the 6th district. These are my public comments for the 12-16-19 Public Hearing at MLK Middle School as an addendum to my public spoken comments.

First of all, I want to send my deepest condolences to Mr. Schewel on the passing of his father. You and your family are definitely in my prayers.

Before I begin, I would like to thank you all for giving concerned citizens an avenue to voice their concerns.

As I shared with you all last night at the public hearing, I am deeply concerned about the history of the methods of TIF Financing, and the history of racial discrimination by many of the key players. I must admit that I do not like to bring up these things and believe me as I have previously presented there are major problems with this proposal besides the troubling case history of racial discrimination.

To list a few, despite many talks and meetings with the Stoney Administration regarding the impact on the general fund and school funding they have refused to run the numbers on LCI impact. Most importantly, they have refused to do what just about every piece of longitudinal data recommends (i.e. David Merriman, Indiana Policy Review, University of North Carolina, The Cato Institute & Congressman Mike Quigley's study) to reserve the right to adjust the base assessed value for inflation. The Chief of Staff Lincoln Saunders has told me (despite all of the longitudinal data) he believes this will have a minimal effect. However, if you remember the last time I was before the commission I shared about confirmatory provisions and sunset provisions that close TIF districts that draw from the general fund after the project financed by TIF is complete. A failure to have a sunset provision combined with a failure to adjust the base value for inflation sets up what the research calls an "eroding tax base" and a "zombie TIF." While the administration and developers love to refer to the coliseum project as a scene out of the walking dead, the longitudinal data states the only thing out of the walking dead is a zombie TIF that forsakes a sunset provision and the right to adjust the base assessed value for inflation. I brought up in a previous independent commission setting that Illinois and Indiana had to set up sunset provision laws due to the money that was flowing from the general fund into TIF funds without a dedicated project. This is the exact set up we have, not from a lack of knowledge or awareness from this administration, but because of a lack of due diligence and fiscal responsibility to set up the safeguards that several cities have sought after experiencing the negative effects of TIF.

As I have stated before TIF is a tool that works for certain types of projects in certain types of settings. However, no TIF has worked well that I have seen in the longitudinal data that ignores these basic safeguards of having a definite start and end, adjusting the base for inflation each year, and allowing schools to opt out (not just held harmless). Many people for this project bring up the example of Short Pump however, as John Gerner described during Kenya Gibson's presentation, the Short Pump TIF didn't draw from 80 blocks of existing revenue. Also, Parker Agelasto brought up the point that the Short Pump TIF was mostly retail based incremental revenues with TIF as a backup. The retail portion was so successful (as we all know if you ever are in Short Pump during Christmas), that the TIF portion of the payment never had to be implemented. So in response to Mr. Schewel's question, I'm not certain whether or not Short Pump is a good apples to apples comparison for the impact on school funding. Forgive me if this is not correct but Former Councilman Agelasto shared this during a working session.

I also have serious concerns about how many of the advocates who support this deal, in hopes that this project will bring jobs to their long-neglected communities, do not actually have protections or guarantees of that happening as a result of this proposal. This is aside from the troubling case law of racial discrimination of many partners and NH district members of this project. Even in a playing field without the troubling case history, the longitudinal research questions the overall effectiveness of TIF districts in spurring job growth and economic development. In T. William Lester's study "Does Chicago's Tax Increment Financing (TIF) Program Pass the 'But-For' Test? Job Creation and Economic Development Impacts Using Time Series Data," the study found "overall, TIF failed to produce the promise of jobs, business development, or real estate activity at the neighborhood level beyond what would have occurred without TIF. Furthermore, when we measure the impact of actual TIF-funded investments, we still find no evidence that TIF effectively obtained desired economic development outcomes. We conclude that on-average, across the whole city, TIF was unsuccessful in jumpstarting economic development activity—*relative to what would have likely occurred otherwise.*" What the study did find is "that the fiscal strain placed on the City of Chicago's General Fund, as well as the Chicago Public Schools and other public agencies that rely primarily on property taxes, is exacerbated by the sequestration of revenue in TIF accounts. Given that the job creation record of TIFs is negligible at best, as shown in this paper, policymakers in the City should strongly reconsider adopting new TIF districts and should even consider additional legislation that attempts to recoup some TIF funds for general public sector activities. As more and more tax revenue is sequestered, the standing of developers and footloose capital is strengthened as resources are shifted to accommodate their interests, while the provision of public goods such as basic education and shared infrastructure are rationed in the name of 'fiscal crisis'. Although, TIF proponents argue that the public receives enhanced economic opportunity in the bargain, the findings of this paper show that the bargain is in fact no bargain at all."

Coupled with a lack of grounded evidence, the setup of this deal misses vital protections to deliver their promises on jobs. Last night I mentioned findings from a study entitled "The Thin Cities: How Subsidized Job Piracy Deepens Inequality in the Twin Cities Metro Area"

It speaks of a term called "sprawl." Lack of transportation choice is a familiar aspect of sprawl: it forces people to commute by car, making traffic congestion worse and increasing air pollution. It also means fewer job opportunities for workers who cannot afford a car or rely on public transit. In addition to lack of job access via transit, families of color and the working poor suffer disproportionately from sprawl in other ways. Low-wage workers are more likely to be residentially concentrated in areas with high rates of poverty and crime and low-achieving schools, in part because of the lack of affordable housing in many suburbs. Although many economic development programs—including TIF— were originally enacted by states in the name of reducing poverty and revitalizing poorer communities, they have strayed from their original intentions. The rules governing these programs have been diluted so that subsidies are routinely used for jobs in affluent or outlying areas that are inaccessible to many low-income workers." It also states that "companies normally want to retain their skilled workers as well as proximity to suppliers and customers." The idea of having businesses come to downtown is not a bad idea. It's an even better idea when you actually have the names of said claimed businesses that are eager to move to the parcels. The

problem is that the fatal flaw is an assumption that when companies move from suburbs to cities that they hire people from low-wage areas. Dr. Corey Walker raised a good point in the southside independent commission regarding whether or not the head of the companies in NH District Corp actually have hired people from these communities themselves. I do not see that happen without a specific type of strategy as far as a community benefits agreement, community labor agreement, or as in Louisville, KY a TIF rebate program.

This entire deal has been brokered with a type of clawback initiative that would not sell parcels to partners that don't keep up with their MBE goals and aspirations. This presents a multitude of problems.

1. What if after 5 -7years & the land transaction is already acquired by these firms that they forsake their MBE goals after the land parcels have already been acquired.
2. A study called "The Effect of Economic Development Incentives & Clawback Provisions on Job Creation: A Pre-Registered Evaluation of Maryland and Virginia Programs" by Nathan Jensen found that incentives and clawback provisions had no effect at all on Job creation in Virginia. The research (as well as studies I've mentioned earlier) already lists this strategy as ineffective.
3. The land is being sold at the front end without proper appraisal to draw businesses into a situation where a tif rebate program could actually be brokered for the difference between the appraised price and the "feasible" price of the land. The current deal leaves no room for actual effective incentives for MBE performance throughout the life of the project.
4. Longitudinal data shows there is a short spike in employment in a couple of years in the beginning but things quickly return to normal. This is typically the type of cannibalization of talent from surrounding counties with more skilled workers with better access to transportation.

The one exception I have found is a TIF rebate program in Louisville, KY where the incremental revenues remain in the general fund and each business in the district must apply to have those funds rebated to them after showing that they have met their Job hiring goals. The goals are set by low-wage income since as Gov. Wilder recently pointed out MBE set asides were found to be illegal as was ruled by the United States Supreme Court in the 1989 case *City of Richmond v J.A. Croson*. I will further expound on this since the clawback provision of this deal could be found as unconstitutional if any business sues the city.

In 1983, the City Council of Richmond, Virginia adopted regulations that required companies awarded city construction contracts to subcontract 30 percent of their business to minority business enterprises. The J.A. Croson Company, which lost its contract because of the 30 percent set-aside, brought suit against the city. In a 6-to-3 decision, the Court held that "generalized assertions" of past racial discrimination could not justify "rigid" racial quotas for the awarding of public contracts. Justice O'Connor's opinion noted that the 30 percent quota could not be tied to "any injury suffered by anyone," and was an impermissible employment of a suspect classification. O'Connor further held that allowing claims of past discrimination to serve as the basis for racial quotas would actually subvert constitutional values. Of course, Thurgood Marshall disagreed but the point is not to argue whether the finding was valid or fair. The point is to find that the ruling would be applicable to the current strategy in this proposed deal of assuring MBE goals would be met. Say a business made attempts to hire minorities but for some reason those attempts or efforts didn't materialize into jobs. If this activates the clawback provision and the business is told they lose the right to purchase the future parcels, the business would have precedence from the Supreme Court to sue the city and win and negate such clawback provisions. Another concern is also that MBE goals could of course be met by minorities from surrounding counties as well. I think my point has been clearly made. This Navy Hill proposal is unable and ineffective in actually securing jobs for minorities from some of the most vulnerable communities in Richmond. It is important to note that prioritizing MBE hiring from surrounding counties would be more "feasible" to city priorities if this was a multi-regional effort. However, in speaking with the mayor's chief of staff, I was told that the administration doesn't want to pursue a multi-regional partnership because they don't want to share the profits that this deal could generate. This also means we would hold all the risk though the research would suggest that we would actually be hiring more people from Henrico & Chesterfield and the projections of

this project rely on attendance from surrounding regions. However, I digress.

Now with the pillars of this deal already crumbling, I now ask you to examine the case history concerning racial discrimination lawsuits from some of the core members of this deal.

I have raised this concern in my public comment portion to you all at a prior Navy Hill Independent Commission regarding a 2014 lawsuit against Spectra (and their head of HR Karen Caiola) for firing a whistleblower in HR (named Judith Gayle Tegler) who was reporting a hiring manager (named Ryan Stouffer) who stated that he “did not want to hire anymore black people”. I was also present when Councilmember Kim Gray brought up her concern in the November 25, 2019 City Council Work Session where John Page from Spectra presented. Councilmember Kim Gray had an inquiry on two racial discrimination lawsuits.

The lawsuits referenced are the United States Ninth Circuit Court of Appeals racial discrimination lawsuit against Comcast Corporation (National Association of African American-Owned Media v Comcast Corporation) and Judith Gayle Tegler v Global Spectrum (now Spectra) and Comcast-Spectacor.) The major problem is that the court documents reveal that in 2014 the head HR manager for Spectra, Karen Caiola, was involved in the firing of the whistleblower. Karen Caiola is still the HR manager of Spectra to this day as John Page confirmed in response to Councilwoman Gray. This is unacceptable as Spectra will be the authority carrying out the MBE goals, hiring decisions, and anchor contracts for the arena under the Navy Hill proposal.

Before I go deeper into the lawsuit against Spectra, I want to point out that John Page gave at best some misleading information to the council when he stated that Comcast -Spectacor was a minority owner and implied that their parent company Atairos wasn't really affiliated with Comcast. You can find audio of the exchange between John Page and Councilmember Kim Gray here

(<https://drive.google.com/file/d/1oK83Hx3TO54IYIP6mCWFRE3rvslRsp6L/view?usp=sharing>).

Here is the problem with that statement. Atairos is a spin off investment firm of Comcast launched in 2015 (making up of Comcast's CFO Michael Angelakis) and is under agreement **that Comcast shall serve as the sole investor (\$4 Billion dollars) of Atairos for 10 years.** That is more than just a minority owner as Spectra stated.

<https://www.fiercevideo.com/cable/angelakis-launches-4b-comcast-financed-fund-atairos> Bloomberg reported the creation of Atairos as an investment firm for Comcast and that Comcast may have moved some of its businesses around to help get their Time Warner merger approved by the FCC.

(<https://www.bloomberg.com/news/articles/2015-03-31/comcast-to-invest-4-billion-in-new-company-with-cfo-angelakis>). Spectra was moved to Atairos at this time.

(<https://www.nytimes.com/2015/04/01/business/media/michael-angelakis-steps-down-as-comcast-finance-officer.html>)

Reuters reports Atairos as a higher-level investment arm of Comcast much like their lower level investment firm Comcast Ventures.

<https://www.reuters.com/article/us-comcast-company/comcast-to-form-4-billion-investment-arm-with-cfo-at-helm-idUSKBN0MR1B420150331>

<https://www.latimes.com/entertainment/envelope/cotown/la-et-ct-comcast-venture-company-cfo-michael-angelakis-20150331-story.html>

Some have described the move as an “intracompany transaction.”

<http://www.amphthemag.com/the-real/spectra-sold-to-atairos-in-intracompany-transaction/>

I know the links may be confusing but it is important to note the connection between Spectra and Comcast. The cause of concern for the affiliation with Comcast (and not just Comcast-Spectacor) is due to a 2019 supreme court case where Comcast is currently challenging The Civil Rights Act of 1866 section 1981(a) that states that black business owners must be afforded the same opportunity to obtain contracts as white citizens. This was the first civil rights act in America and was such a threat to white supremacy that a month after its passing the Memphis Massacre of 1866 occurred in order to intimidate black Americans after gaining these new civil rights (<https://www.theatlantic.com/politics/archive/2016/05/the-memphis-massacre-of-1866-and-black-voter-suppression-today/481737/>). Byron Allen and many black owned media companies such as the Africa Channel, Revolt, and Aspire, have come forward to note that Comcast did not equally support their black owned channels as much as their white owned counterparts because Comcast only did the bare minimum required by the FCC to launch more black owned networks in order to have the NBC Universal merger approved. The problem with John Page's comments is that he was omitting the fact that Comcast is the sole investor of his parent company Atairos. He also omits that the CEO of Atairos structured the NBC Universal transaction deal that these black business owners are describing as unjust. Here is a video of Michael Angelakis speaking on the Comcast NBC/Universal merger (https://www.youtube.com/watch?v=HfFVSLGr0_I) Also the Partner & General Counsel for Atairos also helped structured the Comcast NBC Universal acquisition and has served as the principal corporate lawyer for Comcast since 2006. (<https://www.atairos.com/our-team/david-l-caplan/>)

It was the negotiations of this deal that Comcast ultimately financially underfunded these black owned networks. Gabrielle Union who works for the Comcast owned NBC universal was recently "let go" for being a whistleblower on workplace racial discrimination by the Comcast owned company. Sean Combs the owner of Black Owned Media Company Revolt had this to say of Comcast and the merger with NBC Universal <https://www.prnewswire.com/news-releases/official-statement-from-sean-diddy-combs-regarding-the-comcast--byron-allen-us-supreme-court-case-300962822.html>)

"How can Comcast suggest that it champions diversity and inclusion if it attacks the laws that provide the foundation for economic inclusion? What good are any of their efforts if they are fighting to make it harder for victims of discrimination to be heard in court? Comcast has made this about much more than Byron Allen, and now the civil rights of my children and my community are at stake. To be clear, anything that makes it harder to fight against discrimination is wrong. Comcast is choosing to be on the wrong side of history."

I will let you read the documents I sent in my original comments for yourself but I would strongly suggest not approving Spectra as the manager of this arena given the history of racial discrimination and given their misleading comments to city council regarding their relationship with Comcast. If they cannot be honest about their parent company being started solely with Comcast employees, 4 billion dollars of Comcast money, and 10 years of Comcast being the sole investor, how can we trust them when they say they will cover the city if operations don't meet expectations?

Regarding my concern about Spectra please find the following excerpts describing the actions of Spectra and Karen Caiola (the current HR Director of Spectra) in the discrimination lawsuit. The plaintiff decided to settle **but the findings in the evidentiary record still pertain to the work environment of Spectra.**

The court found **"Plaintiff, Tegler not only complained to managers at Global Spectrum about Stouffer's conduct, but also to Caiola, the corporate HR manager, in October of 2014. The Court supports a conclusion that Tegler's escalation of her complaints to Caiola played a substantial role (i.e., were causally related) to Rodowicz, Totaro, and McDonald's decision to terminate her. Considering all the circumstances alleged and supported by the evidentiary record, a reasonable finder of fact could conclude that Plaintiff's complaints, first to management and then to Caiola, motivated Defendants to terminate her employment.** This is sufficient evidence to allow Plaintiff to make out the third element, and therefore her prima facie case, of retaliation under CEPA.

The court had this to say of the work environment of Spectra:

“Notably, it is not only Stouffer’s own conduct that Plaintiff could reasonably have believed to violate NJLAD, but also the conduct of Defendants Global Spectrum (now Spectra), through Rodowicz and Totaro, not only in retaining Stouffer but also elevating him from acting Public Safety Manager to permanent Public Safety Manager, despite the reports from Tegler of complaints about his racial and sexual harassing and discriminatory behavior.

The existence of several incidents involving Stouffer and complaints of sexual harassment or incidents connoting sexual harassment, as well as gender-based harassment, racial preferences in scheduling, and racial discrimination in hiring, taken in the aggregate, would allow a reasonable person in Tegler’s position to believe that Stouffer, Global Spectrum’s management team, or both violated NJLAD; no indication was given to Tegler that Stouffer had been disciplined or otherwise discouraged from continuing this conduct, and his elevation to permanent Public Safety Director despite these complaints would have allowed a reasonable person to conclude that Defendants failed to stop the problematic conduct (e.g., the alleged harassment) by Stouffer, if not outright condoned it.

Please know that this is the history of the organization we would be trusting to give equal opportunity and an open and inclusive work environment for the life of this arena project. I have been to many meetings where some citizens desire job opportunities from this project. As someone who has done extensive work in helping to ensure non-discriminatory work environments, I am quite concerned of entrusting hiring decisions to a corporation with the history & work environment of Spectra & Comcast. As one of their current black business partners Sean Combs has stated, Comcast is on the wrong side of history. The same side of history as those who opposed the Civil Rights Act of 1866 through violence. If the Richmond NAACP chooses to endorse this project without seriously considering these alarming facts, they risk being on the wrong side of history as well. The workers of Richmond deserve a safe and nurturing environment and the court in this case found Spectra not to be that type of environment. Thurgood Marshall, the greatest civil rights lawyer in history, during his time at the NAACP stated “History teaches that grave threats to liberty often come in times of ‘urgency’, when constitutional rights seem too extravagant to endure. Where you see wrong or inequality or injustice, speak out, because this is your country. This is your democracy. Make it. Protect it. Pass it on.”

The manufactured urgency of this arena “crisis” should not cause us to overlook these glaring & serious threats to a just and equitable outcome.

I summarize my comments today with another question from the great Thurgood Marshall that has been a question I have had around this proposal. Thurgood Marshall asked the essential question “what is the quality of your intent?”

As I read through this proposal and attended countless meetings, for me, the question therein remains:

- if the project is not actually good for schools (please see the school board’s 7-2 vote to opt out as well as the statement released by the Richmond Educator’s Association opposing the Navy Hill Project)
- has been brokered in a way that cannot effectively secure protections of hiring & achievement of MBE goals
- is fiscally irresponsible due to the lack of due diligence concerning the base assessed value lack of sunset provision, and lack of a but for requirement to prevent capturing existing growth
- fails to meet the need of the low-income housing crisis of the city,
- fails to honor the legacy of Navy Hill by selecting members and partners with a damning case history of racial discrimination,
- yet has effectively secured a way for developers to make master plan and material changes through deemed approval, and secured protections for investors to get their money first

Who is this deal actually designed to benefit and as Justice Thurgood Marshall would ask “What is the quality of their intent?”

Out of all of the research I have encountered during this process of vetting this proposal, there is one document that has perhaps given me the best answer to these proposed questions. I am attaching an article out of the Economic Development Quarterly entitled “The Historical Roots of Tax Increment Financing, or How Real Estate Consultants Kept Urban Renewal Alive.” This article states lays out some essential points that I will also list for brevity.

1. The same consulting firms that “alleviated” blight during urban renewal (which James Baldwin referred to as Negro Removal in its impact) are the same consulting firms that made TIF financing a popular mechanism.
2. In order to find the true motivating actors and benefactors of TIF financing, the answer is not found in elected officials but in the consultants involved in the process.
3. These consultants often manufacture a narrative of crisis and urgency in order to pitch their products. The primary goal of these consultants’ work is to justify their actions not to test assumptions or achieve fiscal responsibility.
 1. This is a very core point as I have been quite curious how Hunden who has done extensive work in Indiana and Chicago, Illinois hasn’t presented any of the research that has emerged from those cities such as sunset provisions, avoiding an eroding tax base, and allowing schools to opt out. I doubt very seriously Hunden has never heard of these essential ways of safeguarding against TIF projects. I highly doubt Charles Johnson (the second consultant) will differ from the report of his prior Vice President Rob Hunden.
4. One of the consulting national membership organizations listed in this article is The International Economic Development Council where Rob Hunden, Leonard Sledge, and the newly hired Consultant Charles Johnson have attended. Rob Hunden teaches at this gathering of consultants.
5. The Quality of consultants’ work is often questionable due to conflicts of interest.

I have attached this article to my notes as I have noted where I believe this article is applicable to this process.

Given the research, the alarming discriminatory case history, the fiscal irresponsibility, and lack of due diligence, I strongly suggest recommending the city council to vote no on this project. Unfortunately, due to the case history of those at the table for this deal, I do not even believe a community benefits agreement could salvage this deal. It is not wise to tell sheep it’s okay to go to dinner with wolves just because they’ll get to choose what’s for dessert.

C.T. Hill (the former president of NH District Corp who has since been traded out for Marty Barrington) his branch at Suntrust was found by the Obama Department of Justice to be performing “discrimination with a smile” by charging a racially discriminatory fee to Black homeowners. Susan Eastridge was found by California appeals court to have abused the corporate form to avoid paying workers and to funnel money in between alter ego companies. Tom Farrell left the black Union Hill neighborhood off of his report to the Federal Energy Regulatory Commission due to their black cemeteries potentially preventing approval for the Atlantic Coast pipeline. Spectra and their current head of HR chose to reward an employee who practiced racism and sexism but chose to fire an employee who upheld the rule of law concerning equal opportunity.

What we reward as a city is what gets repeated. In a public private partnership, I believe Richmond deserves a much better partner. To quote a graduate of the true Navy Hill neighborhood and school Maggie Walker "Let us put our moneys together; let us use our moneys; let us put our money out at usury among ourselves, and reap the benefit ourselves ... Let us have a bank that will take the nickels and turn them into dollars." Maggie Walker did not believe in a trickle-down economy where after bonds get paid they maybe trickle down to the most vulnerable in our society. Maggie Walker believed in a trickle up economy where our core priorities & investments were in improving the conditions of the most marginalized in our society.

It is high time that we choose a different path from Richmond's patterns of racism and inequity. Navy Hill District Corporation recently tweeted that the neighborhood of Navy Hill that was lost cannot be rebuilt. I disagree and believe that Richmond deserves a partner that believes we can and has as Dr. King called the "moral courage" to heal the harms of the past. It is not enough just to embrace the matriarch of the true Navy Hill, Maggie Walker. We must also embrace her model of people over profit. This current proposal is not reflective of that model and Richmond deserves and desperately needs a proposal that is.

Thank you for your consideration,

Allan-Charles Chipman
Initiatives of Change USA
2201 West Broad Street, Suite 200, Richmond, VA 23220
T: 804-387-9131 E: allan-charles.chipman@iofc.org
IoFC: www.us.iofc.org TRHT: www.greaterRVA.org

