

INTRODUCED: August 17, 2022

Expedited Consideration

A RESOLUTION No. 2022-R053

To authorize the Chief Administrative Officer to submit an application to the Virginia Department of Housing and Community Development Industrial Revitalization Fund on behalf of Urban Hope, Inc., for a grant of \$896,263 for the purpose of the rehabilitation and adaptive reuse of approximately 3,372 square feet of a facility formerly used for religious worship, including residential units and commercial, office, and meeting space, as part of an approximately \$1,542,263 restoration of the property located at 2300 Fairmount Avenue.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: AUG 17 2022 AT 3 P.M.

WHEREAS, the City of Richmond desires to submit an application to the Virginia Department of Housing and Community Development Industrial Revitalization Fund on behalf of Urban Hope, Inc., for a grant of \$896,263 for the purpose of the rehabilitation and adaptive reuse of approximately 3,372 square feet of a facility formerly used for religious worship, including residential units and commercial, office, and meeting space, as part of an approximately \$1,542,263 restoration of the property located at 2300 Fairmount Avenue; and

AYES: 8 NOES: 0 ABSTAIN: _____

ADOPTED: AUG 17 2022 REJECTED: _____ STRICKEN: _____

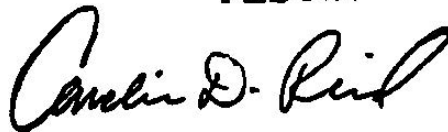
WHEREAS, for the City to apply for funds from the Industrial Revitalization Fund, the Commonwealth requires that the City submit a resolution adopted by the City Council authorizing an application to the Virginia Department of Housing and Community Development; NOW, THEREFORE,

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

That the Chief Administrative Officer is authorized to submit an application for the City of Richmond on behalf of Urban Hope, Inc., to the Virginia Department of Housing and Community Development for an Industrial Revitalization Fund grant of \$896,263 for the purpose of the rehabilitation and adaptive reuse of approximately 3,372 square feet of a facility formerly used for religious worship, including residential units and commercial, office, and meeting space, as part of an approximately \$1,542,263 restoration of the property located at 2300 Fairmount Avenue.

A TRUE COPY:

TESTE:

A handwritten signature in black ink, appearing to read "Camille D. Reil". The signature is written in a cursive style with a large initial 'C'.

City Clerk




CITY OF RICHMOND

INTRACITY CORRESPONDENCE

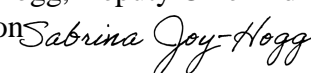
O&R REQUEST


DATE: August 9, 2022 **EDITION:** 1

TO: The Honorable Members of the City Council


THROUGH: The Honorable Levar M. Stoney, Mayor 

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer 

THROUGH: Sabrina Joy-Hogg, Deputy Chief Administrative Officer, Finance and Administration 

THROUGH: Sheila D. White, Director, Department of Finance 

THROUGH: Jason P. May, Director, Department of Budget and Strategic Planning 

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

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

RE: Authorizing the Chief Administrative Officer (CAO) to submit a grant application and a Resolution of Support for \$896,263 in funding under the Industrial Revitalization Fund (IRF) ARPA Pool administered by the Virginia Department of Housing and Community Development. The application is submitted in collaboration with Urban Hope, Inc. and involves the renovation and adaptive reuse of a former religious facility for affordable housing and mixed-use purposes.

ORD. OR RES. No. _____

PURPOSE: The requested O&R allows the City of Richmond, collaborating with Urban Hope, Inc., to apply for \$896,263 in funding under the Commonwealth's Industrial Revitalization Fund (IRF) ARPA Pool to assist in the renovation of a vacant, blighted property located at 2300 Fairmount Avenue. In addition, the O&R requests City Council approve a Resolution of Support for the project, as well as gives the Chief Administrative Officer (CAO) the authority to sign all documents required for the submission of the application.

REASON: IRF awards are available for the strategic redevelopment of vacant and deteriorated non-residential properties across the Commonwealth. However, only local governments (cities, counties, or towns), and regional or local economic or industrial development authorities may submit applications for funding. Local governments may apply directly for funding or in this case, on behalf of a non-profit entity for a privately owned property. The local government must provide a Resolution of Support if applying on behalf of a non-profit entity.

RECOMMENDATION: Approval is recommended to allow for the submission of an \$896,263 IRF application in collaboration with Urban Hope, Inc., and provide a Resolution of Support for the proposed project, as well as give the CAO the authority to execute all required documents related to the submission of the application.

BACKGROUND: The property is owned by Urban Hope Properties, LLC (UHP) of which Urban Hope, Inc., is the sole member, as verified by the attached deed. The property is located at 2300 Fairmont Avenue and was acquired by Urban Hope Properties, LLC in March 2022. The vacant property was built in 1900 and is classified as a religious, church or synagogue in the Church Hill community. The condition of the property is recorded by the city as “very poor for age” and this evaluation has been confirmed through a series of pre-development contractor inspections.

On July 25, 2022, Ordinance #2022-192 was authorized by the City Council allowing a special use of the property for the purpose of a building containing an office use and up to four (4) multifamily dwelling units.

The existing building is 3,372 square feet that will be fully renovated. A second-story addition to the structure will increase the square footage by 912 square feet. Once renovated, the building will consist of four (4) new residential units, of which two-2 bedroom units will be rented to persons at or below 80% area median income (AMI) and two (2) studio apartments rented to persons at or below 50% AMI. The commercial space will be renovated to accommodate office and meeting space. Urban Hope intends to move its operation to the newly renovated location as well as lease space to one other tenant, likely another non-profit that serves the residents of the East End of Richmond.

The site is located on the major thoroughfare of Fairmount Avenue in the East End and is within a few blocks of the Market on 25th Street, J. Sargent Reynolds Culinary Arts Program, and the Peter Paul Development Center. The property is also within proximity to Bon Secours Hospital and is located in both a Qualified Census Tract (QCT) as well as an Opportunity Zone which is a competitive scoring criterion of the IRF grant.

The redevelopment of this building will enable Urban Hope to provide space for their five (5) current employees as well as two new, to-be-hired, full-time staff members. Urban Hope is dedicated to expanding and maintaining its housing and financial counseling services in the East End. The approximately 500+ SF of sublease-able office space could support an additional three to five new jobs.

Urban Hope stands out among other housing non-profit organizations for the depth of their affordability (serving predominantly 30% AMI - 50% AMI households), providing necessary services to underserved and minority communities that have faced increasing housing insecurity

and displacement amidst rising housing costs and the impacts of the COVID-19 pandemic. The depth of the non-profit's affordability also provides a crucial link in inclusive housing and homelessness prevention strategy that is often missing from the affordable housing rental market, particularly in an area of the city with concentrated poverty.

The redevelopment of 2300 Fairmount into a vibrant community anchor fulfills racial equity and community wealth generation goals within the City's Equitable Affordable Housing Plan and the Mayor's Equity Agenda. Also, Urban Hope is meeting the vision of the City's Inclusive Housing Goal in the Richmond 300 Plan: to provide foundational support for residents, regardless of income, to access affordable housing connected to quality services, goods, and open spaces.

The project costs are estimated to be 1.5 million dollars. The project's sources of funds are:

Industrial Revitalization Fund Grant:	\$896,263
Virginia Housing REACH Loan:	\$546,000
Scott Foundation Grant:	<u>\$100,000</u>
Total:	\$1,542,263

Urban Hope has a pending grant application with the Scott Foundation. They have received positive early indications from the Foundation about their request and the letter advising on the status of that application is attached. As per the attached letter, the Scott Foundation will make final awards in August 2022.

No match is required for the ARPA Pool grant requests of less than \$1,000,000.00.

FISCAL IMPACT/COST: To apply, there is no cost to the City.

FISCAL IMPLICATIONS: Staff time regarding the Letter of Interest process and any other required post-award activities.

BUDGET AMENDMENT NECESSARY: No.

REVENUE TO CITY: Increased real estate taxes due to the renovation of the property.

DESIRED EFFECTIVE DATE: Upon Adoption.

REQUESTED INTRODUCTION DATE: August 17, 2022.

CITY COUNCIL PUBLIC HEARING DATE: August 17, 2022.

REQUESTED AGENDA: Consent.

RECOMMENDED COUNCIL COMMITTEE: N/A.

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: Virginia Department of Housing and Community Development.

AFFECTED AGENCIES: Housing and Community Development, Planning and Development Review, Budget and Strategic Planning and Finance.

RELATIONSHIP TO EXISTING ORD. OR RES.: 2022-192.

REQUIRED CHANGES TO WORK PROGRAM(S): If the funding is awarded, the project will be added to the Department's work plan in collaboration with Urban Hope, Inc.

ATTACHMENTS: Urban Hope, Inc. Letter of Interest Response, Request for Letters of Interest, IRF Program Design, Property Deed, Photographs, Status Letter from the Scott Foundation, Letters of Community Support, Ordinance #2022-192, Required Local Certification and Resolution.

STAFF: Sherrill Hampton, Director, (804) 646-6822.



Sherrill Hampton
Director
Department of Housing and Community Development
1500 East Main Street, Suite 300
Richmond, VA 23219

RE: City of Richmond's Request for Letters of Interest (IRF)

July 13, 2022

Primary Contact: Maria Dougherty, Senior Associate, HDAdvisors
Address: 203 N. Robinson Street, Richmond VA 23220
Phone: 804-251-1525
Email: maria@hdadvisors.net

Dear Ms. Hampton,

Thank you for the opportunity to submit this Letter of Interest. We respectfully request the City of Richmond's consideration to submit an August 19, 2022 Department of Housing and Community Development (DHCD) Industrial Revitalization Fund (IRF) application on behalf of our proposed project located at 2300 Fairmount Avenue in Richmond's East End. Urban Hope's goal with this project is to convert a vacant, blighted property on a major artery in the East End. Through this \$1.2M renovation, the property will be transformed into productive housing and office space uses that are community-focused assets. The site location is ideal as it is within a few blocks of several key East End focuses of redevelopment including the Market on 25th Street, Peter Paul Development Center and the new Bon Secours Community Hospital on Nine Mile Road.

Project Description

Urban Hope Properties, LLC (owned by Urban Hope, Inc.), in response to the City of Richmond's Request for Letters of Interest to the Commonwealth's Industrial Revitalization

Fund, seeks support for a project in the Fairmount neighborhood that will re-develop a formerly vacant religious building (2300 Fairmount Avenue) into new mixed-use affordable housing and office space, bringing new jobs, social services and affordable housing into the East End. We propose to request a \$896,263 grant from the IRF ARPA pool, with the goal of beginning construction by the start of next year and finishing construction for full qualified occupancy by November, 2023.

The lot and improvements are now owned by Urban Hope Properties, LLC (UHP) (of which Urban Hope, Inc. is the sole member) as verified by the attached record deed. UHP acquired the property in March, 2022. The vacant property was first built in 1900 and is listed as specialty/religious in the historic sales brochure. The condition of the property is recorded by the city as “very poor for age” and this evaluation was confirmed through a series of pre-development contractor inspections that helped identify and prepare the UHP team to begin re-development of the property within six months of receiving IRF grants.

The property consists of an existing building of 4,284 square feet that will be fully renovated, plus an addition of 912 square feet; this addition will receive its Special Use Permit approval from the City later this month (July 2022). Of this 5,196 square feet total, approximately 2,460 sf is planned for UHP offices and 3rd party office space and 2,736 square feet is planned for affordable residential units.

While UHP does not know the duration of vacancy for the building, it has been a number of years since the building was previously occupied. The site is located on the major thoroughfare of Fairmount Avenue in the East End and is within a few blocks of the Market on 25th Street development as well as the Peter Paul Development Center.

Project Financials

HDAdvisors, UHP’s financing consultants, prepared the attached detailed project budget, taking into account developer, contractor, and owner costs as well as other operating expenses and mortgages. The budget also considers a pro forma operating budget and how the property can sustain itself over time. The project costs include the cost to renovate the building and build an addition to accommodate the creation of four (4) new residential units. The four (4) residential units will be (2) 2-bedroom 80% AMI units and (2) studio 50% AMI units. The commercial space will be renovated to accommodate office and meeting space use. It is intended that UHP will utilize over half of the commercial space as our primary office space and sublease the balance of the space to one other tenant, likely another non-profit serving the East End of Richmond.

Total project costs are estimated to be \$1.5M. The project’s sources of funds are:

Industrial Revitalization Fund Grant:	\$896,263
Virginia Housing REACH Loan:	\$546,000
Scott Foundation Grant:	\$100,000
Total:	\$1,542,263

Project Status/ Timeline/ Readiness

UHP acquired the property in March 2022 and we are currently completing a structural engineering review of the property. A qualified contractor completed a scope and pricing for the project renovations in December 2021 which is attached to this LOI. We have one pending grant application with the Scott Foundation. We have received positive early indications from Scott about our request and a Letter of Support advising on the status of that application is attached to this LOI. As per the attached letter, Scott Foundation will make final awards in August 2022. Assuming we are able to submit an IRF application in August, it is estimated that IRF will likely award funds to projects by December 2022. That means the project could receive commitments for all of its gap financing by December 2022 and be able to close on the final financing, the Virginia Housing REACH Loan, within 60 days of that award. Construction can begin by the first of the year, in January 2023. As the IRF requires that all projects with awarded funds be completed within a reasonable time frame (typically 18-months), this project will meet that timeline with an expected completion and occupancy within 12 months (November 2023).

Match

As stated in the IRF program design and confirmed by DHCD IRF staff correspondence, no minimum match is required for ARPA-allocated grant requests of less than \$1,000,000, like Urban Hope's. Nevertheless, we will also receive match funds from a Scott Foundation grant as well as Virginia Housing REACH loan funds as outlined in the Project Budget and Financial Narrative above. While the project has other sources of financial support and is nearly ready to proceed, it cannot be finished without the injection of this IRF fund.

Project and Property IRF Eligibility

Per IRF eligibility guidelines, the City of Richmond may apply for funding on behalf of a nonprofit entity for privately owned property. UHP's 2300 Fairmount property not only fulfills this requirement but also the eligible use of funds towards the rehabilitation of a vacant and deteriorated property into a mixed-use property, with at least 30 percent of the usable floor space devoted to offices.

Project Impact

The purchase and redevelopment of the 2300 Fairmount Avenue property is a central effort by UHP to grow our presence in the East End, expand our reach and accessibility for the community we serve, and provide additional economic development and affordable housing opportunities within a qualified census tract. UHP stands out among other housing non profit organizations for the *depth* of our affordability (serving predominantly 30% AMI - 50% AMI households), providing necessary services to underserved and minority communities that have faced increasing housing insecurity and displacement amidst rising housing costs and the impacts of the COVID-19 pandemic. The depth of UHP's affordability also provides a crucial link in inclusive housing and homelessness prevention strategy that is often missing from the affordable housing rental market, particularly in an area of the city with concentrated poverty.

The redevelopment of this building will enable UHP to provide space for our five (5) current employees as well as two new, to-be-hired full-time staff members. UHP is dedicated to expanding and maintaining our housing and financial counseling services in the East End. The project also will provide four (4) affordable housing units and approximately 500+ SF of sublease-able office space that could support an additional three to five new jobs. The site is located in both a Qualified Census Tract as well as an Opportunity Zone which is a competitive scoring criteria of the IRF grant. The mixed-use nature of this project intentionally connects housing and economic development towards the goal of building greater equity and opportunity in the East End. UHP's rentals and services help stabilize our predominantly low-income households of color¹ from historic cycles of gentrification and displacement in a changing area, and provide pathways to greater economic independence through deep affordability and job connection with community partners, like ReWork Richmond.

The aftermath of the COVID-19 pandemic has only increased the demand for this approach, with many families unable to catch up financially from periods of joblessness or to find affordable housing as overall demand increased. The redevelopment of 2300 Fairmount into a vibrant community anchor fulfills racial equity and community wealth generation goals within the City's Equitable Affordable Housing Plan and the Mayor's Equity Agenda. UHP's mission seeks to meet the vision of the City's Inclusive Housing Goal in the Richmond 300 Plan: to provide foundational support for residents, regardless of income, to access affordable housing connected to quality services, goods, and open spaces that make the East End special.

¹ Urban Hope's current households identify as 98% Black, 60% female and 48% with at least one child, and the average AMI of our tenants is 41%, with a range of 15% to 70%.

Project IRF Competitiveness & Letters of Support

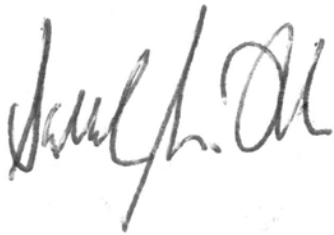
This project meets key funding priorities of the IRF, including demonstrated readiness and a clear end use: to bring affordable housing services and job opportunities to an area of the city with concentrated poverty and racial inequity. Urban Hope is rooted in the East End community and this project has significant support from local residents, businesses, and leadership, as evidenced by the attached letters.

Attachments

1. Property Deed
2. Historic Sales Brochure and Photographs of Current Condition
3. Project Budget
4. Contractor's Cost Estimate
5. Letters of Community Support

Thank you for the opportunity to submit this LOI. I can be reached at 804-396-9818 if you have additional questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Sarah Hale". The signature is written in a cursive, flowing style.

Sarah Hale
Executive Director
Urban Hope, Inc.

REQUEST FOR LETTERS OF INTEREST

for Submission of Applications for

The Commonwealth of Virginia's Industrial Revitalization Funds Program

Introduction:

The City of Richmond, in support of community and economic revitalization and the need to eliminate blighted structures in various communities throughout the City, is accepting Letters of Interest from entities who are interested in securing funding under the Commonwealth of Virginia's Industrial Revitalization Fund (IRF) Program for FY23.

The Industrial Revitalization Fund program is means by which to leverage local and private resources to achieve market-driven redevelopment of nonresidential structures by creating a catalyst for long-term employment opportunities and ongoing physical and economic revitalization. Eligible properties and structures must be vacant and deteriorated and may be redeveloped for any eligible market-driven purpose regardless of the original use. For the purposes of this program, the term "industrial" is considered to mean any non-residential structure significant to the community due to size, location, and/or economic importance. These structures are no longer suited for their former purpose in their current deteriorated condition and are a substantial deterrent to future economic opportunity in the surrounding area and region. The guidelines for the IRF program are attached

All interested entities should review the IRF Guidelines and other attached materials carefully. As the IRF Guidelines state, only units of local government (cities, counties, or towns) and regional or local economic or industrial development authorities may apply for the funding. In this instance, after accepting Letters of Interest, the City of Richmond will consider submitting applications on behalf of the most competitive projects, subject to the following:

- Shovel readiness; ability to complete the project within the required period designated by the IRF
- Provision by the applicant of the required local match (1:1)
- Eligible property as required by the Commonwealth of Virginia
- Eligible project as required by the Commonwealth of Virginia
- Compliance with all other provisions of the IRF Guidelines

Per the IRF Guidelines, the City of Richmond can submit only two (2) applications per funding round that total no more than \$5,000,000. In addition, by no means does the acceptance of Letters of Interest commit the City of Richmond to provide any required match or other financial assistance for selected projects. Once the projects are reviewed, the applicant(s) selected have until **August 5, 2022, at 11:59 pm** to submit their full application(s). The filing of any application by the City of Richmond on behalf of any project is subject to the approval of the City Council for the City of Richmond. As a prerequisite for the filing of any application, City Council must review and approve a resolution authorizing the filing of a full application(s) to the State.

Due Date and Information Requested:

In this Round, the deadline for submitting a Letter of Interest is **July 13, 2022, at 11:59 pm**. Please include the following information in all Letters of Interest submitted, along with any supporting documentation:

- Commitment to comply with all applicable provisions of the IRF Guidelines
- Project Description
 - Property to be renovated (location, age, size, former use, duration of vacancy, and property ownership) (Attach a copy of deed or option).
 - After renovation use
 - Total project cost and amount requested (which funding category: General IRF or State ARPA, and funding type, i.e. grant or loan)
 - Statement on shovel readiness
- Project Financials
 - Line item project budget
 - Proof of ability and commitment to providing the required match
 - Other committed funding, their sources, and the project's total leverage ratio
- Project Impact

Provide a narrative on how the proposed project meets any or all of the following adopted City Plans and other listed items:

 - Meets the Inclusive Housing Goal in Richmond 300 Chapter 5, Goal 14 (<https://acrobat.adobe.com/link/track?uri=urn:aaid:scds:US:37c9183f-a24a-4e71-bdeb-407456796b44>)
 - Meets a goal in the Equitable Affordable Housing Plan (<https://acrobat.adobe.com/link/track?uri=urn:aaid:scds:US:4d8076b1-2f7c-4ef4-a0b3-cec7ad90b0dd>)
 - Meets a goal in the Strategic Plan to End Homelessness (<https://acrobat.adobe.com/link/track?uri=urn:aaid:scds:US:95868854-f8f8-4880-9227-73192ad252aa>)
 - Meets a goal in the Mayor's Equity Agenda (<https://acrobat.adobe.com/link/track?uri=urn:aaid:scds:US:5e3dfaa5-9ec8-4bbd-b9fb-893d107d8e24>)
 - Commitment to pay Fair Labor Standard Wages
 - Project is located in one of the 2021-2025 Consolidated Plan Geographic Priority Areas (Highland Park, Hull Street – Lower Corridor, Hull Street--Swansboro Corridor, Richmond Highway – North Corridor, and Richmond Highway--South Corridor (<https://acrobat.adobe.com/link/track?uri=urn:aaid:scds:US:d842ba84-a5c3-4b91-8e24-373e740361aa>))

Industrial Revitalization Fund (IRF)

2023 PROGRAM DESIGN



FY2023 IRF GRANT GUIDELINES

INTRODUCTION

A base budget of \$1.5 million for Fiscal Year 2023 (FY '23) is available for the strategic redevelopment of vacant and deteriorated industrial properties across the Commonwealth through Industrial Revitalization Fund (IRF) grants. The General Assembly will finalize the total funding available in the spring of 2022. In addition, \$22.5 million is available for FY '23 and an additional \$22.5 million for FY '24 through American Rescue Plan Act (ARPA) funding.

For the purposes of this program, the term "industrial" is considered to mean any non-residential structure significant to the community due to size, location, and/or economic importance. These structures are no longer suited for their former purpose in their current deteriorated condition, and are a substantial deterrent for future economic opportunity in the surrounding area and region.

Localities frequently do not possess the resources needed to attract adequate private investment for timely redevelopment of these structures. This is especially true in distressed areas. Therefore, **IRF awards are meant to leverage local and private resources to achieve market-driven redevelopment of these structures, creating a catalyst for long-term employment opportunities and ongoing physical and economic revitalization. Eligible properties and structures must be vacant and deteriorated and may be redeveloped for any eligible market-driven purpose regardless of the original use.**

Availability of Funds

The funding available in FY '23 is a one-time allocation to replenish the Virginia Derelict Structures Fund (DSF) established under §36-152 of the Code of Virginia. The Virginia Department of Housing & Community Development (DHCD) administers these funds under the Industrial Revitalization Fund (IRF) Program.

In addition, DHCD has \$22.5 million available for projects eligible under the enhanced criteria described below through ARPA funding.

Award Amounts

The award amount varies based on the funding source. **For projects funded through the General IRF state funds, the maximum award is up to \$1,000,000 per project;** however, an applicant may apply for less. IRF awards may not be used as a substitute for other funds the applicant has already committed to a project. IRF state fund awards require at least a 1 to 1 match of IRF dollars.

For projects funded through the ARPA allocation, the maximum award is up to \$5,000,000. For these projects, no minimum match will be required for grant requests up to \$1,000,000; however, match may be advantageous in showing a project's readiness and support, and should be documented in the application if available. Projects requesting between \$1,000,001 and \$5,000,000 require a 1 to 1 match of requested IRF dollars.

ELIGIBILITY

In order to be eligible for award funding either through the General Fund or ARPA appropriations, projects must meet the requirements described below.

Applicants will indicate on their application which funding source they would like to be considered for. Projects seeking state General Fund IRF funding must meet the traditional eligibility requirements set forth by the IRF program, described in further detail in later sections. Projects seeking IRF ARPA funding must, in addition to being within traditional IRF guidelines, also address a harm caused by COVID-19 pandemic, or a harm resulting from or exacerbated by the economic disruption caused by the COVID-19 pandemic. Applicants should 1) identify the need created or exacerbated by the pandemic and 2) how their project seeks to remedy that need.

Furthermore, these applicants must also attest to how their project will support individuals, communities, or industries that faced disproportionate public health or economic impacts from the COVID-19 pandemic. For purposes of the application, applicants should take a broad view when defining "disproportionately impacted" individuals, communities, or industries. Considerations could include the racial, ethnic, socioeconomic, geographic and/or other characteristics related with the individual, community, or industry associated with the project.¹ Additionally, an applicant should specify if the project is located within a "[Qualified Census Tract](#)," which will automatically designate them as serving a disproportionately impacted group. Applicants are encouraged to consult the [Final Rule](#) and the [associated FAQ](#) (particularly questions 2.17 and 2.18) for additional guidance. The Final Rule includes advice on describing disproportionate impacts (pages 43-45 of the PDF).

DHCD staff reserves the right to make final determinations on the most appropriate source of funding for projects. If an application is not eligible for ARPA funding, the application will be considered for eligibility under regular IRF. Similarly, applications deemed ineligible for General Fund IRF will be considered for eligibility under ARPA IRF funds.

¹ For example, a project with an intended end use in the hospitality and/or tourism industry can claim eligibility by stating that their industry faced disproportionate impacts due to the COVID 19 pandemic. Alternatively, a project located in a low-income or primarily minority neighborhood, which faced disproportionate public health and economic harms caused by the pandemic, can claim eligibility by stating their location in that community. This is a non-exhaustive list, and applicants are encouraged to consider the wide array of impacts of the pandemic in their attestation and to take the broadest definition when considering their application.

Eligible Applicants

Only local governments (cities, counties, or towns), and regional or local economic or industrial development authorities may submit applications for funding. A unit of local government may apply directly for funding to use on publicly owned property OR on behalf of a for-profit or non-profit entity for privately owned property. Localities may designate a redevelopment authority or another similar organization as an agent for project implementation and administration.

Award Funding Structures

While applicants should indicate whether funds are requested as a loan or a grant, DHCD reserves the right to award funding in the manner most appropriate to the project, and to recommend alternative structures as necessary. DHCD also reserves the right to award funding to applicants through either the General Fund or ARPA appropriation as appropriate based on the details of the project and funding availability. For both loans and grants, the expectation is that financing to complete the entire project as specified in the IRF application has been secured as evidenced by formal letters of interest, term sheets, or commitment letters.

DHCD will issue an **IRF GRANT** under the following conditions:

- The property is publicly owned;
- The privately owned property has an option agreement/contract in place for purchase by a local government at the time of the application; or
- The private property is owned by a not-for-profit, tax-exempt entity.

In cases where the local government intends to lease the property to a private, for-profit entity, a market rate lease is required; upon resale of the property to a private, for-profit entity, DHCD may require repayment of a prorated grant amount.

DHCD will issue an **IRF GRANT/LOAN** under the following conditions:

- The property is owned by a private, for-profit entity and the end-use will be owned by a private, for-profit business.
- IRF Grant/Loans may be funded as a grant to the applicant local government (or local Development Authority), who will in turn make a loan to the for-profit entity. The following standard terms and conditions will apply to all projects unless DHCD determines that a regionally significant project requires more favorable terms. The terms of the loan must be agreed to by DHCD.
 - Interest Rate: 2.5%
 - Amortization: Up to 20 Years (negotiated on a project-by-project basis)
 - Environmental Review
 - DHCD will require an executed performance agreement with the developer

All projects, regardless of award structure, **must be ready to execute a contract or performance agreement for their awarded funds by January 1, 2023.**

- Agreements may be executed simultaneously to the closing of the first trust lender for primary financing or after; however, IRF grant/loans will not close before all other sources of primary financing are closed or commitment letters with a closing date have been issued.
- Failure to execute the contract or performance agreement within 6 months of award may result in the awarded funds being reprogrammed to another project. The applicant will be given the opportunity to apply again once the project is more prepared for IRF loan closing. DHCD has the discretion to offer an extension beyond six months where delays are caused by circumstances beyond the control of the developer.

All projects, regardless of award structure, will be required to have a deed covenant/restriction or a lien for a period of 10-years that requires DHCD approval prior to any sale or change in end-use for the property. In the case of a sale to a private sector entity and/or a change of use during the 10-year period, DHCD may require a prorated repayment of the funds based on the number of years of the deed restriction remaining.

Match

To demonstrate project viability and the applicant's commitment, applicants receiving funding from the General Fund appropriation are required to provide a 100 percent (1:1) local match from private or public sources. The match must either be cash or documented costs that are directly associated with the improvements to the property where IRF funds are expended. Local match may include federal (CDBG, ARPA, or other), state, local, and private funds spent on activities directly related to the targeted project within the last full fiscal year (on or after July 1, 2021).

A locality may use documented administrative costs as up to five percent (5%) of the local match. The use of administrative costs as local match must be outlined in the application and will need to be documented through invoices or payroll records. The locality must provide a description of specific in-kind resources committed, including methods used to determine their value.

Example: An applicant that is seeking a \$300,000 IRF grant must provide a match of at least \$300,000 (100% match). Local match in excess of \$300,000 will increase the application's score. This applicant could include up to \$15,000 in documented administrative costs in their \$300,000 match.

ARPA IRF funds may not be used as a substitute for other funds the applicant or end-user has already committed to a project. If the project proposes a for-profit, private end-use, DHCD considers an equity investment by that entity into the IRF project as an indication of long-term commitment to the project.

For the ARPA IRF funding, 100 percent (1:1) local match is required for applications for awards exceeding \$1,000,000. Award funds from the ARPA IRF planning grant round may not be

counted as match. For projects funded through the ARPA allocation, no minimum match will be required for grant requests of \$1,000,000 or less; however, match may be advantageous in showing a project's readiness and support, and should be documented if available in the application.

Eligible Match:

- Acquisition costs - include current property appraisal as documentation of value or documentation of purchase price (HUD-1 Settlement statement, bill of sale or deed), whichever is less;
- Documented costs directly associated with physical activities on the IRF project site; Construction-related soft costs such as engineering, design or architectural activities (must be specifically identified in the application);
- Investments into Machinery & Tools, taxable by the locality;
- Public notices, permit or dumping fees and inspections costs (or waivers of such) directly related to physical activities (must be specifically identified in the application);
- No more than five percent (5%) local match will be accepted as in-kind or cash for out-of-pocket administrative costs.

Ineligible Match:

- State or local taxes;
- Site remediation;
- Interest or principal payments on current debt on the property;
- Investments in Business Personal/Tangible Property (Furniture, Fixtures, and Equipment).

Eligible Use of Funds

The IRF program is flexibly designed so that funds can be used for a wide variety of revitalization and redevelopment activities such as **acquisition, rehabilitation, or repair** (including securing and stabilizing for subsequent reuse) of specific structures, as well as **demolition, removal**, and other **physical activities**. Grant administration is not an eligible activity for IRF.

In the case of acquisition, DHCD will limit its financial participation to the property's fair market value and the associated legal costs of acquisition. Fair market value is considered to be the lesser of the property's documented acquisition costs or appraised value. IRF funds may also be used for the legal costs associated with demolition. However, **funds may not be used solely for acquisition or demolition unless it can be demonstrated that the locality has committed other redevelopment funds to the property**, and there is a market-based redevelopment plan outlining reuse options, target markets/niches, and a property marketing strategy including the entity responsible for implementation. Generally, demolition should be used only in circumstances where the size or location of a building precludes any significant redevelopment potential or in cases where there is an imminent safety threat.

Site remediation is **not** an eligible activity for IRF. Virginia's Department of Environmental Quality offers several programs to assist with remediation and environmental assessment including the Voluntary Remediation & Brownfields/Land Renewal Programs. Visit <http://www.deq.virginia.gov> for more information.

It is **not the intent** of the IRF Program to fund the relocation of existing Virginia businesses into a redeveloped structure, particularly if the relocation or expansion occurs simultaneously with the closure or significant reduction of operations in another Virginia locality. If this type of project is proposed as part of a significant expansion, the applicant must demonstrate that it is clearly part of the community or region's economic development strategy and how business relocation has a quantifiable impact on that strategy.

Eligible Properties

According to the Code of Virginia § 36-3, a "blighted property" means any individual commercial, industrial, or residential structure or improvement that endangers the public's health, safety, or welfare because the structure or improvement upon the property is dilapidated, deteriorated, or violates minimum health and safety standards, or any structure or improvement previously designated as blighted pursuant to § 36-49.1:1, under the process for determination of "spot blight."

The program is targeted toward (functionally) **vacant and deteriorated** properties whose poor condition creates a notion of physical and economic blight in the surrounding area, and often is a deterrent to surrounding development. Projects may consist of multiple properties provided they are adjacent and/or adjoining and are related in either their negative impact (e.g., three adjacent severely deteriorated downtown buildings that create a negative impact on the remainder of the block) or end use (e.g., rehabilitation of an abandoned warehouse into a shell building with purchase of adjacent property for parking.)

Eligible properties and structures may be redeveloped for any market-driven purpose including mixed-use, regardless of the original use. For purposes of IRF, mixed-use is defined as "a building incorporating residential uses in which a minimum of **30 percent of the usable floor space** will be devoted to commercial, office, or industrial use **or in which 30 percent of the projected project revenue** is derived from the commercial space."

It is **not the intent** of the IRF Program to fund new construction or the development of greenfield properties, unless done in coordination with the redevelopment of an eligible vacant or deteriorated property.

Former Property Uses		
Eligible		Ineligible
<ul style="list-style-type: none"> ● Manufacturing ● Warehousing ● Mining ● Transportation ● Power Production 	<ul style="list-style-type: none"> ● Department Stores ● Theaters ● Hotels ● Shopping Centers ● School Buildings 	<ul style="list-style-type: none"> ● Solely Residential ● Scattered Site Projects ● Greenfield Sites

FUND ACCESS

In the case of **GRANTS**, a contract between DHCD and the grantee outlining end products, conditions, fund disbursement and termination must be executed **before any funds are disbursed**. Funds may only be used for **expenses incurred after the signing of the contract, unless otherwise negotiated with DHCD**. Grant funds are available on a **reimbursement basis only**, for costs the applicant has incurred and paid for.

In the case of **GRANT/LOANS**, IRF funding will be released as a grant to the applicant local government entity (or approved Economic Development Authority), who will then make a loan to the private developer pro-rata with other funders or once other sources are expended. This will be determined in discussion with developers upon DHCD’s award notification.

Funding Priorities

The ultimate intent of the IRF program is to fund **shovel-ready** projects that will act as a catalyst to spark additional private investment and job creation in distressed areas that have been targeted for economic development and community revitalization as part of a larger economic restructuring or economic development strategy. Based on that intent, DHCD has established the following funding priorities:

1. Clear relationship to a local or regional economic development strategy.

Applicants must identify the economic development strategy that the proposed project will support. This strategy should be an element of an existing redevelopment, blight removal, or economic development plan, and applicants should cite the specific documents that substantiate the goals of the project. Applicants must explain what is currently being done in the community and how the IRF funds will accelerate and expand those economic restructuring and development activities. Additionally, the application should identify why the proposed project is being prioritized for IRF funds over other projects in the locality.

2. High degree of blight and deterioration to be addressed.

Applicants must describe the extent of the physical deterioration and identify the negative impact the property is having in the community. DHCD is seeking to invest in projects that will

address the negative impact the property has on the community's ability to attract private investment and job creation. Applicants must demonstrate that addressing the property is a local priority, and projects that seek to repurpose a property will be given more consideration than projects that focus only on demolition/site clearance. Higher priority will be given to projects involving blight abatement and elimination, than those proposing blight prevention.

3. Project readiness.

DHCD will give higher priority to shovel-ready projects that will lead to the efficient and immediate redevelopment of blighted properties. Readiness scores will be reviewed first by DHCD and a minimum score will be required to be considered for funding. Projects that can demonstrate "readiness to proceed" will be given the greatest consideration. Readiness to proceed is demonstrated by having finalized plans and primary financing in place (formal letters of interest, term sheets or letters of commitment) for an identified end-use/user. Capacity for project implementation by the locality or developer will also be a consideration in project readiness. For applications requesting grant funding, readiness to proceed should be demonstrated by community support for the project, and the receipt of public input where appropriate.

NOTE: *Any developers, contractors, and professional services funded by an IRF grant must be procured in accordance with the Virginia Procurement Act (VPPA). Applicants should submit documentation to detail that procurement requirements have been met for any professional services contracted to date. Grantees will be required to submit documentation to detail that procurement requirements have been met, prior to any execution of contracts that obligate IRF funds.*

Projects that can show the ability to close on the IRF loan or go under contract with DHCD within six months of an IRF award notification will be the most competitive for funding. DHCD reserves the right to withdraw funding should the applicant not be under contract/close the IRF loan in a reasonable amount of time. DHCD also reserves the right to withdraw funding if there are substantial or significant changes to the development team, scope of work or community economic benefit.

4. Project with a clear end use.

Successful applicants will be able to identify a tangible end-use to be completed in a reasonable amount of time, typically an 18-month timeframe. Successful projects will have executed development agreements, commitment letters from non-profit partners, operations/management agreements, leases for space, and detailed operations plans. Projects that have speculative or undetermined end uses will be considered a lower priority. If the application proposes a non-profit end use, the applicant or end user must demonstrate long-term sustainability by providing a 10-year operating pro forma and other documentation of financial solvency.

5. End use will have a clear and significant community economic impact.

Applicants must describe how the project will have a clear positive impact on the community. This includes both the economic impact of the construction process and the end use. Applicants

should demonstrate a commitment to ensuring IRF projects seek outreach opportunities for local developers and subcontractors and SWAM certified businesses to participate in the development. Projects should also demonstrate significant private investment when the end user is a private business. Applicants must demonstrate how the completion of the IRF project will be a catalyst to larger economic revitalization efforts in the locality and region and will spark additional investment in the surrounding area. Applicants should include quantified expectations for primary impact (such as net new jobs, new businesses, and leveraged private investment) and any secondary impact (such as increased local sales, meals, or lodging tax revenue, increased export or non-export (tourism) revenues, increased daily and/or overnight visitors, and availability of commercial square footage.)

In addition, applicants should describe how the project may be catalytic to the community in non-economic terms (such as access to services or resources, workforce development, and quality of life improvements). Projects that show significant community economic impact will be given higher priority; whereas projects with a public sector end-use will be lower priority. For IRF purposes, a full-time equivalent job is defined as employment of, at a minimum, 35 hours per week. Existing employees or unpaid volunteer positions should not be included in job creation projections and will not be considered in application scoring.

6. High Economic Distress in project locality.

Extra consideration will be given to projects located in communities that are experiencing higher degrees of distress. However, it is not intended to compensate for poorly conceived projects that do not score well on the other funding priorities. The Industrial Revitalization Fund (IRF) distress index comprises three factors: unemployment, fiscal stress, and poverty. From these statistics, individual distressed scores are computed. Finally, the three component scores are averaged together to form a composite score. The composite score is then broken down into four categories based on standard deviations from the average score.

Unemployment

Unemployment adversely affects the disposable income of families, erodes purchasing power, diminishes employee morale, and reduces the economy's output. The unemployment index score depends on localities' unemployment rates. The unemployment rate also reflects the local economic conditions as well as localities' ability to generate revenue to provide critical services to its citizens. A higher unemployment rate means less economic activity and reduced revenue sources for the local government.

Fiscal Stress

The ability for a locality to provide services to their citizens depends on their capability to generate revenue from their own sources. A lack of revenue-generating capacity will lead to either a shrinking budget or a gap between revenues and expenditures, which is considered fiscal stress. The fiscal stress index comprises three factors: revenue capacity per capita, revenue effort, and median household income. From these statistics, individual stress scores are computed. Finally, the three component stress scores are averaged together to form a composite.

Poverty

Poverty can negatively affect economic growth by affecting the accumulation of human capital and rates of crime and social unrest. Human capital--that is, the education, work experience, training, and health of the workforce--is considered one of the fundamental drivers of economic growth. Also, areas with higher poverty rates experience, on average, slower per capita income growth rates than low-poverty areas. See Appendix D in the Industrial Revitalization Fund Application Instruction Manual for pre-calculated scores for all cities and counties. Towns may use the distress score of the county, or they may calculate their own based on a calculator provided by DHCD, upon request.

7. Other Considerations

DHCD encourages localities to apply for projects that will have a strong significance to the broader community and region, in areas of ongoing or identified redevelopment/revitalization. Applicants will receive **bonus points** for projects that meet one or more of the following characteristics:

- Part of a significant **regional focus**. This includes projects located in an area covered by a revenue sharing agreement or projects cited in a formal regional economic development plan.
- Eligibility for local real property tax abatements (§58.1-3221) or other **local incentives** to encourage investment.
- Location in an **Enterprise Zone** and ability to qualify for the state and local incentives. **IRF loans** may be included in the Enterprise Zone Real Property Investment Grant schedule of Qualified Real Property investments, while **IRF grants** must be excluded.
- Location in a designated **Virginia Main Street** community, an **Opportunity Zone**, a local, state or federal **historic district**, a **redevelopment or blight removal district**, a **Technology Zone**; or other similar district.
- Location in a current **CDBG project area**.
- Committed project leverage exceeds 1:1 match.
- Commitment to including **SWAM certified** contractors/sub-contractors through solicitation during the bidding and procurement process.

Prioritization

A locality may submit up to two applications per funding round that total no more than \$5,000,000; therefore, localities must identify and authorize the projects that will have the most meaningful impact on local community revitalization and economic development efforts. As such, a resolution from the local governing body authorizing the request for funding is an application requirement. If the locality is applying on behalf of a non-profit or private for-profit, the resolution should indicate the specific match amount and identify the entity that will be responsible for providing the matching funds. A project which encompasses multiple adjacent properties, even if there are various owners, is eligible for consideration if the locality includes all in one application.

SUBMISSION REQUIREMENTS

Applications for IRF funding must be submitted through DHCD's Centralized Application Management System (CAMS) and will be due on August 19, 2022. You can access CAMS using the following link: <https://dmz1.dhcd.virginia.gov/camsportal/Login.aspx>

SCORING

Funds will be allocated through a competitive process that will give greater priority to projects leading to the efficient and immediate redevelopment and/or reuse of abandoned "industrial" structures. Applications will be evaluated according to a scoring system and projects will be selected for funding on the basis of the higher scores in descending order until all funds are allocated. Scoring criteria and point allocation will be as follows:

- Relationship to Economic Development Strategy: 10%
- Readiness: 30%
- End Use Plans: 15%
- Economic Impact: 25%
- Distress: 15%
- Other Considerations: 5%
- TOTAL 100%

A strong application will be able to document that the project is ready-to-go, but could not be finished without the injection of the IRF funds.

PERFORMANCE AGREEMENTS & CONTRACTUAL OBLIGATIONS

Successful applicants will be required to sign a contract/performance agreement committing them to the economic outcomes, property use, fund use and match outlined in the approved application and any pre-contract/performance agreement negotiations.

All applications, contracts and performance agreements are subject to negotiation with DHCD. All projects will be required to have a deed covenant/restriction or a lien for a period of 10 years that requires DHCD approval prior to any sale or change in end-use for the property. In the case of a sale to a private sector entity and/or a change of use during the 10-year period, DHCD may require a prorated repayment of the IRF funds based on the number of years of the deed restriction remaining.

All approved projects will be committed to a project completion date of 18 months from contract execution/loan closing, by which all activities must be completed and drawdown requests/loan disbursements submitted to DHCD/VCC. Any project that receives funding and does not use all of its designated funds by the project completion date specified in its contract/loan award may lose the remaining fund balance.

SUBSTANTIAL PROJECT CHANGES AFTER APPLICATION SUBMITTAL

DHCD reserves the right to rescind the funding offer if substantial changes to the project scope and/or financing needs occur after application submission. DHCD will be concerned of the impact of such on project cash flow, project timing, need for IRF funding, intent of the IRF program, and projected outcomes as outlined in the original application. To maintain consideration for IRF funding, substantial changes to project scope and/or budget will require applicants to provide DHCD with an updated description of the project.

CONTACT INFORMATION

For more information on the IRF program, please contact:

Virginia Department of Housing and Community Development
600 East Main Street, Suite 300
Richmond, Virginia 23219
(804) 371-7171

TAX MAP PARCEL NO. E000-0617-021

Consideration: \$345,000.00
Assessment: \$151,000.00

THIS DEED, made this 21st day of March, 2022, by and between **2300 FAIRMOUNT AVENUE LLC**, a Virginia limited liability company, hereinafter referred to as the Grantor, and **2300 FAIRMOUNT RVA LLC**, a Virginia limited liability company, hereinafter referred to as the Grantee:

W I T N E S S E T H :

THAT FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the Grantor does hereby grant and convey with **GENERAL WARRANTY and ENGLISH COVENANTS OF TITLE**, unto the Grantee, in fee simple, the following described real estate, to-wit:

SEE ATTACHED SCHEDULE "A"

PREPARED FOR THE GRANTOR BY
MARK A. FLECKENSTEIN, ESQ. (BAR NO. 19617)
MARK A. FLECKENSTEIN & ASSOCIATES, P.C.
ATTORNEYS & COUNSELORS AT LAW
311 S. ARTHUR ASHE BOULEVARD
RICHMOND, VIRGINIA 23220
804-358-9400

TITLE UNDERWRITER: CHICAGO TITLE INSURANCE CO.

This conveyance is made subject to such recorded conditions, restrictions and easements affecting the property hereby conveyed.

WITNESS the following signature:

2300 FAIRMOUNT AVENUE LLC

By: [Signature]
GARRETT AUGUSTINE, Manager

COMMONWEALTH OF VIRGINIA

CITY OF RICHMOND, to-wit:

The foregoing instrument was subscribed, sworn to, and acknowledged before me, in my jurisdictions aforesaid, this 28th day of March, 2022, by Garrett Augustine, Manager of 2300 Fairmount Avenue LLC.

My commission expires: 04/30/2022

[Signature]
Notary Public

Grantee's Address:

c/o Urban Hope, Inc.
1111 N 25th St.
Richmond, VA 23219



SCHEDULE "A"

ALL that certain lot of land in the City of Richmond, Virginia, at the northeast corner of Fairmount Avenue and 23rd Street, with all and every of the improvements thereon, and more particularly bounded and described as follows:

BEGINNING at the intersection of the north line of Fairmount Avenue with the eastern line of 23rd Street, and thence extending eastwardly along and fronting on the north line of Fairmount Avenue the distance of fifty feet (50'); and from such frontage extending back northwardly between the eastern line of 23rd Street and a line parallel therewith, one hundred twenty-five feet (125') to an alley in common fourteen feet (14') wide.

BEING the same real estate conveyed to 2300 Fairmount Avenue LLC by Deed from Tabitha Dowtin, Levi Norwood, Shadera Saul, and Mary L. Norwood in their capacity as the Trustees of Tenth Street Baptist Church, dated January 19, 2021, recorded February 5, 2021, in the Clerk's Office, Circuit Court, City of Richmond, Virginia, as Instrument No. 210003767.

INSTRUMENT 220008390
RECORDED IN THE CLERK'S OFFICE OF
RICHMOND CITY CIRCUIT COURT ON
APRIL 7, 2022 AT 01:01 PM
\$345.00 GRANTOR TAX WAS PAID AS
REQUIRED BY SEC 58.1-802 OF THE VA. CODE
STATE: \$172.50 LOCAL: \$172.50
EDWARD F. JEWETT, CLERK
RECORDED BY: TMG

MULTI-PURPOSE FACILITY FOR SALE



N. 23rd St. entrances (basement & street)

OFFERING SUMMARY

Sale Price:	\$325,000
Building Size:	4,284 SF
Lot Size:	0.144 Acres
Price / SF:	\$75.86
Year Built:	1900
Zoning:	R-6
Submarket:	Church Hill North

PROPERTY OVERVIEW

This multi-purpose facility is located at the corner of Fairmount Ave & N 23rd St. in North Church Hill, RVA. A potential redevelopment opportunity; located just 2 corners away from the new VCU Health Hub, Market @ 25th & J. Sargeant Reynolds Culinary Institute. Currently leased monthly to small churches. Separate entrances to the rear building and basement (main photo) presents potential Retail, Office or Multifamily use.

PROPERTY HIGHLIGHTS

- Enterprise Zone
- Corner lot
- Multi Purpose Rear Bldg.
- High Visibility

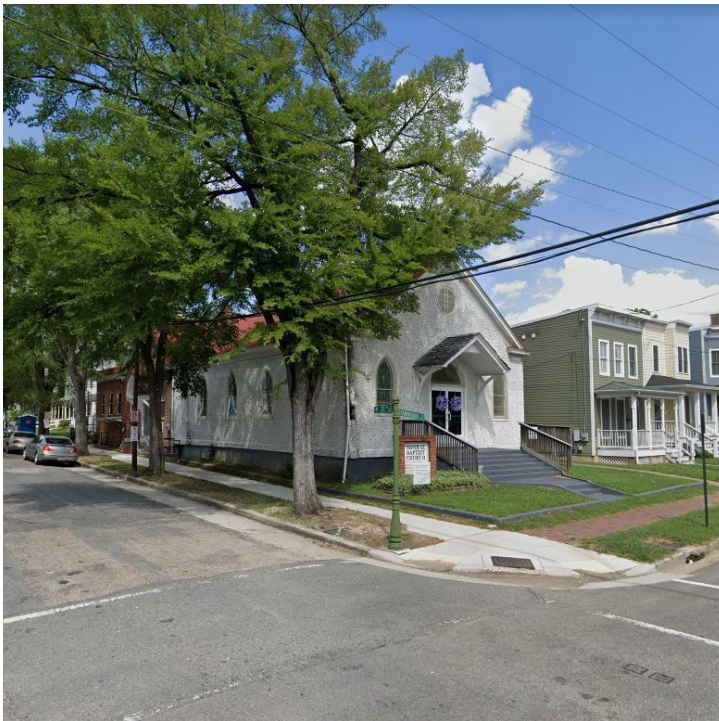
EDDIE JACKSON

804.967.2771

eddie.jackson@joynercommercial.net

| 2300 FAIRMOUNT AVE RICHMOND, VA 23223

ADDITIONAL PHOTOS



EDDIE JACKSON

804.967.2771

eddie.jackson@joynercommercial.net

FOR SALE

2727 ENTERPRISE PKWY, SUITE 102 | RICHMOND, VA 23294 | 804.270.9440 | JOYNERCOMMERCIAL.NET

LOCATION MAPS



EDDIE JACKSON

804.967.2771

eddie.jackson@joynercommercial.net

hdadvisors

Maria Dougherty <maria@hdadvisors.net>

Fwd: Scott Foundation: Updated grant proposal for Urban Hope

1 message

Sarah Hale <sarah@urbanhoperva.org>

Tue, Jul 12, 2022 at 6:38 PM

To: Maria Dougherty <maria@hdadvisors.net>

Cc: Erica Sims <erica@hdadvisors.net>, Lawson Wijesooriya <lawson@urbanhoperva.org>

More for the IRF

Sarah Hale
Executive Director
(c) 804-396-9818

Begin forwarded message:

From: "Valentine, Ned" <nvalentine@harriswilliams.com>
Date: July 12, 2022 at 6:24:09 PM EDT
To: Sarah Hale <sarah@urbanhoperva.org>
Subject: RE: Scott Foundation: Updated grant proposal for Urban Hope

Sarah:

On behalf of the Scott Foundation, thank you for this grant request and congratulations on the continued progress at Urban Hope. The foundation's board is excited about the work Urban Hope is doing, and we are enthusiastic about the project this grant would support. Our time together in the spring was very informative, and the updates provided along the way, including this updated grant request, are much appreciated and responsive to our questions.

As we've discussed, our next round of funding will occur in September, so I would expect us to have a response to your grant request in the coming few weeks.

Best regards,

Ned

Ned Valentine

Harris Williams

[1001 Haxall Point](#)

9th Floor

Richmond, Virginia 23219

804-648-0072

From: Sarah Hale <sarah@urbanhoperva.org>

Sent: Monday, July 11, 2022 3:44 PM

To: Valentine, Ned <nvalentine@harriswilliams.com>

Subject: Scott Foundation: Updated grant proposal for Urban Hope

Ned,

Per our conversation, attached is an updated grant proposal for your consideration, as well as the project budget and audited financials.

Thank you for the Scott Foundation's interest in considering support of our exciting headquarters project!

Take care,

Sarah

Sarah Hale
Executive Director, Urban Hope

(c) 804-396-9818



7/13/22, 6:46 PM

HDAvisors Mail - Fwd: Scott Foundation: Updated grant proposal for Urban Hope

This email, including any attachments, is confidential, proprietary, may be privileged and is intended solely for the use of the intended recipient. If you have received it in error, your access is unauthorized and does not waive or cause the loss of any confidentiality or privilege. Please immediately return it to the sender, then permanently delete it from your system and do not copy, distribute, disclose, use or otherwise rely or act upon any part of its contents.

Harris Williams is an SEC-registered broker-dealer and member of FINRA and SIPC.

**PASTOR DONALD COLEMAN
EAST END FELLOWSHIP
2906 Q STREET
RICHMOND, VA 23223**

July 12, 2022

Sherrill Hampton
City of Richmond Housing and Community Development
Main Street Station
1500 East Main Street, Suite 300
Richmond, VA 23219

Dear Ms. Hampton:

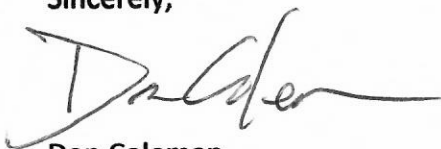
This is a letter in support of Urban Hope's application to the Industrial Revitalization Fund for the purposes of redeveloping the church property at 2300 Fairmount. Since its inception in 2000, Urban Hope has been committed to the social, economic, and spiritual health of Metro Richmond. As its first Executive Director, I was privy to the start of what has been a focused effort in the Church Hill area to create and preserve affordable housing for some of the most vulnerable in our community.

As the lead pastor of East End Fellowship, I have witnessed the growth of Urban Hope through the years. A number of our parishioners have been deeply ministered to by this organization. Some have become homeowners, and some renters; whichever route they have taken, these residents have been encouraged and supported in their efforts to create stable, safe, and affordable homes for their families.

Urban Hope's plans for redevelopment of 2300 Fairmount into their permanent offices, community space, and affordable apartments has my unequivocal support. Not only are they bringing greater stability to our area with affordable housing but they have shared with me they will be creating space for between five and seven new jobs in the neighborhood, as well as a sizable space that will be available for community use and their in-house financial health classes.

As a lifetime 7th District resident, a local pastor, a former elected member and Chairman of the Richmond Public Schools Board of Trustees, and a believer in a unified East End of Richmond, I am in full support of the continued efforts of this worthy organization to broaden the availability of affordable housing in the greater Church Hill area and I would heartily encourage you to consider their application for the Industrial Revitalization Fund.

Sincerely,



Don Coleman
Lead Pastor, East End Fellowship



July 12, 2022

Sherrill Hampton
City of Richmond Housing and Community Development
Main Street Station
1500 East Main Street, Suite 300
Richmond, VA 23219

Dear Ms. Hampton:

Peter Paul supports Urban Hope's application to the Industrial Revitalization Fund for the purposes of redeveloping the church property at 2300 Fairmount.

As a long-time partner with Urban Hope, Peter Paul is in full support of their plans for redevelopment of this property into their permanent offices, community space, and affordable apartments. Not only are they bringing greater stability to our area with affordable housing for ten residents, but they will be creating space for between five and seven new jobs in the neighborhood, as well as a sizable space that will be available for community use and their in-house financial health classes.

Peter Paul and Urban Hope have a close working relationship centered around housing and other resources for the residents of Richmond's East End. In partnership with the Maggie Walker Community Land Trust and ReWork Richmond, our organizations have developed two large, new rental homes on land just behind our Center for the benefit of Peter Paul and ReWork families. In fact, the partnership has been so successful, that we are in discussions for further development on land currently owned by Peter Paul.

Urban Hope and Peter Paul are both deeply committed to the successes of our neighborhood families. With our own offices so close to these new headquarters, we know how important a centrally located, accessible office space is. This flagship project would be an excellent use of funds from the Industrial Revitalization Fund, and we encourage your support.

Sincerely,

Damon Jiggetts
Executive Director
Peter Paul

ReWork Richmond

ReWork Richmond
2123 Fairmount Avenue
Richmond, Virginia 23223
804-447-9026
www.ReWorkRichmond.org

Board of Directors

Carol Adams
Gussie Bannard
Ronald Carey, *Chair*
Torey Edmonds
Nancy Harrison
Wayne Johnson
Jay Moore
Pamela O'Berry
Rev. Melvin Shearin
Delores Smith
Frederick Thompson
Rev. Amelie Wilmer

Executive Director

Deb Lawrence

July 12, 2022

Sherrill Hampton
City of Richmond Housing and Community Development
Main Street Station
1500 East Main Street, Suite 300
Richmond, VA 23219

Dear Ms. Hampton:

This is a letter in support of Urban Hope's application to the Industrial Revitalization Fund for the purposes of redeveloping the church property at 2300 Fairmount.

ReWork Richmond is in full support of Urban Hope's plans for redevelopment of this property into their permanent offices, community space, and affordable apartments. Not only are they bringing greater stability to our area with affordable housing for ten residents, but they will be creating space for between five and seven new jobs in the neighborhood, as well as a sizable space that will be available for community use and their in-house financial health classes.

ReWork Richmond is a workforce and career path development non-profit focusing on the underemployed residents living in and around the public housing communities of the East End of Richmond. Our mission is to empower underemployed adults living in Richmond's East End to obtain the skills and necessary support to qualify for and ultimately gain thriving, living careers. In addition, we focus on addressing our participant's obstacles to sustained employment which obviously includes safe, stable housing. Without attention to housing issues and needs, lasting career employment is not possible.

For some time now, ReWork has enjoyed a close partnership with Urban Hope whereby we engage in a "mutual referral" process; we send our program participants to them for housing needs, and they refer tenants to ReWork who would be a good match for our workforce program. Urban Hope has been a critical piece to the success of our participants and one of our most successful community resources. Likewise, ReWork is able to develop a career pathway for their tenants which ultimately propels them to home ownership.

With our own offices one block away from these new headquarters, we know how important a centrally located, accessible office space is. This flagship project will be a

true anchor for the community and an indication of their long-term commitment to the flourishing of the neighborhood. We encourage you to support their application for the Industrial Revitalization Fund.

Sincerely,

A handwritten signature in black ink that reads "Deb Lawrence". The signature is written in a cursive, flowing style.

Deb Lawrence
Executive Director
ReWork Richmond

STEVEN A. MARKEL
119 TEMPSFORD LANE
RICHMOND, VA 23226

July 12, 2022

Sherrill Hampton
City of Richmond Housing and Community Development
Main Street Station
1500 East Main Street, Suite 300
Richmond, VA 23219

Dear Ms. Hampton:

This is a letter in support of Urban Hope's application to the Industrial Revitalization Fund for the purposes of redeveloping the church property at 2300 Fairmount.

As a development partner with Urban Hope, I am in full support of their plans for redevelopment of this property into their permanent offices, community space, and affordable apartments. Not only are they bringing greater stability to our area with affordable housing for ten residents, but they will be creating space for between five and seven new jobs in the neighborhood, as well as a sizable space that will be available for community use and their in-house financial health classes.

For some years now, I have successfully lent capital to Urban Hope for the purposes of creating deeply affordable housing in the East End. In addition, UH has leased shared office space from me in a building redeveloped for the purposes of community development in the Church Hill area. I have witnessed their deep commitment to the residents of our city, and see that their continued, rapid growth is much needed for those who are at the very lowest incomes. The new space on Fairmount will be, along with The Market at 25th, a visible sign of commitment to the vibrancy of the area.

The larger vision for the Church Hill neighborhood is for an inclusive and thriving community, and Urban Hope has been an excellent partner in these shared efforts. IRF Funds will go a long way toward making this project a reality. I urge you to affirm Urban Hope's interest and support their application to the Industrial Revitalization Fund.

Sincerely,



Steven A. Markel
Developer, The Market at 25th



Local Certification

The City of Richmond, as the applicant, hereby assures and certifies that:

It possesses the legal authority to apply for the IRP program and to execute the proposed program.

The property for which the application is made meets the definition of “blighted property” according to the Code of Virginia §36-3.

Its governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

That the information contained in the IRF application is true and correct.

Chief Administrative Official:

Signature

J. E. Lincoln Saunders, Chief Administrative Officer

Name and Title

Date