

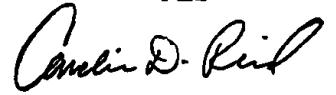
INTRODUCED: December 11, 2023

AN ORDINANCE No. 2023-371

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Fulton Montessori School grant contract between the City of Richmond and Fulton Montessori School for the purpose of stabilizing, continuing, and expanding operations of a licensed early childhood care and education program in Fulton Hill.

\_\_\_\_\_  
Patrons – Mayor Stoney, Ms. Lynch,  
Ms. Newbille and Ms. Robertson

**A TRUE COPY:  
TESTE:**



**City Clerk**

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney

PUBLIC HEARING: JAN 22 2024 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute a Fulton Montessori School grant contract between the City of Richmond and Fulton Montessori School for the purpose of stabilizing, continuing, and expanding operations of a licensed early childhood care and education program in Fulton Hill. The Fulton Montessori School grant contract shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

AYES: 9 NOES: 0 ABSTAIN: \_\_\_\_\_

ADOPTED: JAN 22 2024 REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

APPROVED AS TO FORM:

*Bonnie M. Ashley*

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City Attorney's Office



# City of Richmond

900 East Broad Street  
2nd Floor of City Hall  
Richmond, VA 23219  
www.rva.gov

## Master

**File Number: Admin-2023-1915**

**File ID:** Admin-2023-1915      **Type:** Request for Ordinance or Resolution      **Status:** Regular Agenda

**Version:** 1      **Reference:**      **In Control:** City Clerk Waiting Room

**Department:**      **Cost:**      **File Created:** 11/14/2023

**Subject:**      **Final Action:**

**Title:**

**Internal Notes:**

**Code Sections:**

**Agenda Date:** 12/11/2023

**Indexes:**

**Agenda Number:**

**Patron(s):**

**Enactment Date:**

**Attachments:** Admin-2023-1915 ARPA Grant Contract - Fulton Montessori School - Ordinance, Admin-2023-1915 ARPA Grant Contract - Fulton Montessori School - Contract - FINAL

**Enactment Number:**

**Contact:**

**Introduction Date:**

**Drafter:** eva.colen@rva.gov

**Effective Date:**

**Related Files:**

### Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	11/14/2023	Traci DeShazor	Approve	11/17/2023
1	2	11/16/2023	Meghan Brown	Approve	11/16/2023
1	3	11/20/2023	Sheila White	Approve	11/17/2023
1	4	11/20/2023	Sabrina Joy-Hogg	Approve	11/21/2023
1	5	11/20/2023	Caitlin Sedano - FYI	Notified - FYI	
1	6	11/20/2023	Jeff Gray	Approve	11/21/2023
1	7	11/21/2023	Lincoln Saunders	Approve	11/29/2023
1	8	12/6/2023	Mayor Stoney	Approve	12/7/2023

### History of Legislative File

**Text of Legislative File Admin-2023-1915**

**City of Richmond**  
Intracity Correspondence

**O&R Transmittal**

**DATE:** November 1, 2023  
**TO:** The Honorable Members of 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 for Finance and  
Admin-istration  
**THROUGH:** Sheila White, Director of Finance  
**THROUGH:** Jason May, Director of Budget and Strategic Planning  
**THROUGH:** Traci Deshazor, Deputy Chief Administrative Officer for Human Services  
**FROM:** Eva Colen, Office of Children and Families  
**RE:** ARPA Grant Contract with Fulton Montessori School  
**ORD. OR RES. No.**

**PURPOSE:**

To authorize the Chief Administrative Officer to execute an American Rescue Plan Act grant contract between the City of Richmond and Fulton Montessori School for the purpose of stabilizing, continuing and expanding operations of a licensed early childhood care and education program in Fulton Hill.

**BACKGROUND:**

On October 25, 2021, the City Council of the City of Richmond approved Ordinance Number 2021-291, which accepted the first tranche of American Rescue Plan Act (ARPA) funds in the amount of \$77,439,914.00 and established the complete ARPA spend plan, which included a total of \$2,000,000 allocated to the Child Care and Family Supports category.

These grant contract establishes the working agreement between the City and Fulton Montessori School regarding the use of \$100,000 of the funds in the Child Care and Family Support category.

Fulton Montessori School (FMS) opened in September 2018 after the Neighborhood Resource Center of Greater Fulton closed their sliding scale Montessori preschool program in 2017. This closure was unexpected and created an urgent need for affordable, quality early child care and education in the East End of Richmond. The new school was the outcome of collaboration across former NRC Montessori

teachers, parents, community members and philanthropy. It opened in a building belonging to Calvary United Methodist Church with a licensed capacity of 40.

In Fall 2019, FMS expanded to meet growing demand for its programs, hiring two additional teachers and an administrative assistant. A second classroom was opened to serve younger children. Total enrollment nearly doubled from 16 to 30.

When the pandemic struck in March 2020, FMS's landlord, Calvary United Methodist Church, decided to close its building to mitigate the spread of COVID-19. As a result, FMS furloughed staff and temporarily shuttered its programs. In June 2020, FMS was permitted to reopen the building, at which point most staff and about half of the students returned. Through early 2022, FMS struggled to stabilize operations as social distancing requirements and guidance prevented maximization of licensed capacity.

To address capacity limitations and to attempt to meet growing demand and more families of young children regained comfort with congregate care settings, FMS leased a new site and gained full site control in June 2022. This site was significantly larger but required substantial investments to ensure licensing.

In 2022, the City of Richmond executed an ARPA grant contract with FMS as part of the Child Care and Preschool Stabilization and Expansion Grant solicitation. The \$64,500 granted to FMS supported stabilization of program operations and allowed FMS to make capital improvements that resulted in their current state-licensed capacity of 80. Ultimately, City ARPA funds granted to FMS allowed the program to continue operations and to double their licensed capacity.

As is well-documented in local, state and national media, the early childhood care and education sector has continued to face unique stressors and challenges. FMS, as a small, relatively new provider, has experienced those stressors and challenges more poignantly and directly than larger and more established providers. Additionally, and as consequence of the significant challenges facing the ECCE sector, the FMS school director resigned in early 2023.

The FMS Board remains deeply committed to continuing operations and maintaining a quality, affordable early childhood care and education program in the Greater Fulton Hill area. In September 2023, FMS embarked on a three-phase strategic approach to full operational recovery and stabilization that will ultimately result in FMS folding into a larger, more stable network of quality, affordable child care and education programs. In the meantime, FMS is benefitting from a pro bono strategic consultant who is providing operational and fundraising support.

The Robins Foundation and Community Foundation have committed \$100,000 each, pending approval by their respective boards of directors. The City grant contract will make fund availability contingent on additional philanthropic support, with the understanding that the City's grant alone will be insufficient to accomplish the goals set forth within the FMS stabilization plan.

**COMMUNITY ENGAGEMENT:**

Community engagement during summer 2021 resulted in Mayor Stoney’s proposal to invest ARPA funds into Child Care and Parental Supports. Ongoing community engagement and research since 2021 has clarified that the greatest need is for infant and toddler care; a report from the Virginia Early Childhood Foundation in Summer 2023 indicated that there is just one publicly funded slot in the Richmond region for every eight infants and toddlers with families making less than 200 percent of the federal poverty level. This grant will support FMS’s transition from preschool and kindergarten program to a full-scope early childhood care and education program to enroll children aged 2 months to 5 years in a mixed income, mixed delivery setting.

FMS itself is the result of deep community engagement, as it grew out of a grassroots effort to bring affordable high-quality ECCE to the greater Fulton Hill community. FMS is unable to meet its licensed capacity due to staffing challenges, which require additional investment to address. It continues to have a wait list due to the tremendous need for quality ECCE across Richmond and in the East End specifically.

Additionally, the FMS Board of Directors engaged closely with community partners, families and philanthropy to determine the path forward for FMS.

**STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL:** This investment aligns with the intent of the Child Care and Parenting Supports ARPA project category as the City seeks to support pandemic recovery among child care providers. It also aligns with other ongoing City efforts to expand access to quality, affordable, full-day, full-year early childhood care and education programs across Richmond.

**FISCAL IMPACT:** None

**DESIRED EFFECTIVE DATE:** Immediately

**REQUESTED INTRODUCTION DATE:** December 11, 2023

**CITY COUNCIL PUBLIC HEARING DATE:** January 8, 2024

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Education and Human Services

**AFFECTED AGENCIES:** Human Services

**RELATIONSHIP TO EXISTING ORD. OR RES.:** Ord. No. 2021-291

**ATTACHMENTS:** Grant Contract approved as to form

**STAFF:** Eva Colen

## FULTON MONTESSORI SCHOOL

THIS GRANT CONTRACT is made this 1<sup>st</sup> day of September, 2023 between the City of Richmond, a municipal corporation and political subdivision of the Commonwealth of Virginia (the "City"), and Fulton Montessori School, a Virginia non-stock corporation, authorized to transact business in the Commonwealth of Virginia (the "Recipient").

### STATEMENT OF PURPOSE

- A. Section 15.2-953(A) Code of Virginia authorizes the City to make gifts and donations to any charitable institution or association, located within their respective limits or outside their limits if such institutions or association provides services to residents of the locality.
- B. By Ordinance No. 2021-291 adopted October 25, 2021, the City Council of the City of Richmond accepted and appropriated the City's first tranche of Coronavirus State and Local Fiscal Recovery Funds established under the American Rescue Plan Act of 2021 ("ARPA"), \$2,000,000 of which was appropriated to the "Child Care and Parental Support" category.
- C. Ordinance No. <INSERT ORDINANCE NUMBER> adopted <INSERT DATE OF ADOPTION> authorizes the City to enter into this Grant Contract providing funds in the amount of \$100,000 as a gift to the Recipient for the purposes of stabilizing and sustaining operations.

The City and the Recipient, intending to be legally bound, agree as follows:

#### 1. **Contact Information.**

- A. The City's point of contact for purposes of this Contract is:

Eva Colen  
Senior Policy Advisor  
Office of Children and Families  
900 E. Broad Street, Richmond, Virginia 23219  
Eva.Colen@rva.gov  
(804) 646-5454

This point of contact is responsible for monitoring the Recipient's compliance with this Contract.

- B. The Recipient's point of contact for purposes of this Contract is:

Tracey Van Marke  
Consultant  
Fulton Montessori School  
1620 Williamsburg Road  
Richmond, VA 23231  
tracy@tvmimpactconsulting.com  
(804) 514-7925

- C. Either party may change the contact information set forth in this section by submitting a written statement that the party is making such a change and setting forth the contact information of the party's new point of contact to the other party's point of contact.

2. **Payment of Grant Funds.**

- A. The City shall pay the Grant Funds to the Recipient in one lump sum following the execution of this Agreement and the receipt by the City's point of contact of written financial commitments in the amount of \$200,000 from other funding sources, including but not limited to philanthropic foundations.
- B. The Recipient shall obligate all Grant Funds by September 30, 2024 and shall expend all Grant Funds by December 31, 2024. Should the Recipient not expend all Grant Funds by December 31, 2024 it shall return to the City all of the Grant Funds not so expended within 30 days.

3. **Scope of Services.** In consideration of the City's grant of the Grant Funds to the Recipient, the Recipient shall invest in the stabilization and continued operations of a licensed, mixed income, mixed delivery early childhood care and education program in Fulton Hill.

The Recipient shall:

- A. Increase enrollment to 48 children ages 2 months to 5 years;
- B. Hire and retain a permanent, full-time director; and
- C. Recruit and retain staff through hiring and retention bonuses.

4. **Performance Measures.** The City will use the following performance measure to evaluate whether the Recipient has performed the services required by this Contract in a manner that achieves the City's purpose in providing the Grant Funds to the Recipient:

- A. Did Recipient utilize the Grant Funds in accordance with the Scope of Services set forth in Section 3 of this Agreement?



5. **Reporting.** Recipient shall:
  - A. Maintain detailed records regarding all expenditures pertaining to the Grant.
  - B. Provide quarterly reports regarding the status of each activity included within the Scope of Services: Not Started, Completed less than 50 percent, Completed 50 percent or more, or Completed.
  - C. Provide quarterly reports to include a narrative description of each activity included in the Scope of Services. The Recipient shall include in each narrative description anecdotal evidence, stories, or testimony pertaining to each activity.
  - D. Complete any additional forms or reports and provide any additional information that may be reasonably required by the City.
  - E. Maintain all books, records, and other documents relating to this Contract for five years following expiration of this Contract.
  
6. **American Rescue Act Plan Funding.** Recipient acknowledges that certain eligible activities are allowable uses of the Coronavirus State and Local Fiscal Recovery Fund established under the American Rescue Plan Act of 2021 (“ARPA”). Recipient agrees that it will conduct its activities in accordance with ARPA and will abide by all federal laws, rules, regulations, and guidance applicable thereto. Should the Recipient’s or any subrecipient’s use of the Funds be determined ineligible for ARPA funding, Recipient shall repay all Grant Funds to the City. Grant Funds shall not be used for political activities; inherently religious activities, such as worship, religious instruction, or proselytization; or lobbying activities. This section 6 will survive expiration of this Contract.
  
7. **Release, Indemnity, and Insurance.**
  - 7.1 **Release.** The City shall not be liable for any personal injury or property damage to Recipient or its agents, contractors, employees, invitees, licensees, officers, or volunteers irrespective of how the injury or damage is caused, and Recipient hereby releases the City from any liability, real or alleged, for any personal injury or property damage to Recipient or its agents, contractors, employees, invitees, licensees, officers, or volunteers irrespective of how the injury or damage is caused. Nothing herein shall be construed as a waiver of the sovereign immunity granted to the City by the Commonwealth of Virginia statutes and case law to the extent that it applies. This section 7.1 will survive expiration of this Contract.
  
  - 7.2 **Indemnity.** Recipient shall indemnify and defend the City and its agents, contractors, employees, officers, and volunteers from and against any and all losses, liabilities, claims, damages and expenses, including court costs and reasonable attorneys’ fees, caused by, resulting from, or arising out of any claim, action, or other proceeding, including any claim, action or other proceeding that is based on, arising out of, or related to (i) Recipient’s

breach of this Contract, (ii) the performance of any activities under this Contract; (iii) the conduct or actions of Recipient or its agents, contractors, employees, invitees, licensees, officers, or volunteers within or outside the scope of this Contract, or (iv) any error, omission, negligent act or intentional act of Recipient or its agents, contractors, employees, invitees, licensees, officers, or volunteers. This section 7.2 will survive expiration of this Contract.

8. **Acknowledgement of Donation.** The Recipient shall, in connection with any programs, events, or other matters funded in whole or in part with the Grant Funds, acknowledge the City of Richmond and the American Rescue Plan Act as a donor, contributor, or sponsor. This acknowledgement must be included on any promotional materials, brochures, publications, websites, or other visible locations. The City has the right, upon request, to review and approve any such acknowledgement. Further, the City has the right, in its sole discretion, to require the removal of its name from any such promotional materials, brochures, publications, websites, or other visible locations.
9. **Compliance Monitoring.** The City's point of contact shall monitor the Recipient's compliance with this Contract. In addition to the reports required by Section 5, the Recipient shall furnish the City's point of contact with any information reasonably requested by the City's point of contact in order to enable the City's point of contact to determine whether the Recipient is meeting or has met the performance measures set forth in this Contract.
10. **Recipient's Representations and Warranties.** The Recipient represents and warrants as follows:
  - A. The Recipient is and will be for the duration of this Contract a charitable institution or association as detailed in Section 15.2-953(A) of the Code of Virginia.
  - B. The Recipient's signatory below is duly authorized by the Recipient to enter into this Contract and thereby bind the Recipient to this Contract's terms and conditions. This Contract is signed when a party's signature is delivered by facsimile, email, or other electronic medium. These signatures must be treated in all respects as having the same force and effect as original signatures.
11. **Audit.** Pursuant to Section 2-187 of the Code of the City of Richmond, the Recipient shall, as a condition of receiving monies from the City, be subject to periodic audits of its finances and expenditures of such City monies by the City Auditor on demand and without notice. The Recipient further agrees to any audits as may be required in connection with ARPA funding and agrees to fully cooperate with the City in connection with any such audits.
12. **Contract Expiration.** This Contract will expire on December 31, 2024 unless both parties agree to renew the Contract.

Effective as of the date first written above.

**RECIPIENT:**

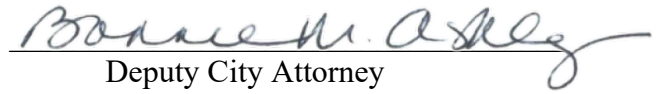
By: \_\_\_\_\_  
Cindy Moussavou, President  
Fulton Montessori School, Board of Directors

Date: \_\_\_\_\_

**CITY:**

By: \_\_\_\_\_  
J. E. Lincoln Saunders, Chief Administrative Officer  
City of Richmond

**APPROVED AS TO FORM:**

  
Deputy City Attorney