

INTRODUCED: June 22, 2026

AN ORDINANCE No. 2026-165

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a First Amendment to Grant Agreement between the City of Richmond, 512 Hull Street, LLC, and the Economic Development Authority of the City of Richmond for the purpose of clarifying the affordable housing requirements applicable to the residential development located at 512 Hull Street. (6th District)

Patrons – Ms. Robertson and Mayor Avula

Approved as to form and
legality by the City Attorney

PUBLIC HEARING: JUL 27 2026 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 First Amendment to Grant Agreement between the City of Richmond, 512 Hull Street, LLC, and the Economic Development Authority of the City of Richmond for the purpose of clarifying the affordable housing requirements applicable to the residential development located at 512 Hull Street. The First Amendment to Grant Agreement shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

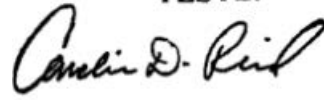
AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: JUL 27 2026 REJECTED: _____ STRICKEN: _____

§ 2. This ordinance shall be in force and effect upon adoption.

A TRUE COPY:

TESTE:

A handwritten signature in cursive script, reading "Carlin D. Reed".

City Clerk

DATE: June 4, 2026
TO: The Honorable Members of City Council
THROUGH: RJ Warren, Council Chief of Staff
THROUGH: Will Perkins, Senior Legislative Services Manager
THROUGH: Sophie McGinley, Council Policy Analyst
FROM: The Honorable Ellen Robertson, Councilmember 6th District
RE: To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a First Amendment to Grant Agreement between the City of Richmond, 512 Hull Street, LLC, and the Economic Development Authority of the City of Richmond for the purpose of clarifying the affordable housing requirements applicable to the residential development located at 512 Hull Street, Richmond, Virginia.

CNL-2026-0055

PURPOSE: This ordinance authorizes the Chief Administrative Officer to execute a First Amendment to a previously approved Grant Agreement for the residential development located at 512 Hull Street in order to clarify the affordable housing requirements applicable to the project and establish clear standards for ongoing compliance and administration of the grant program.

BACKGROUND: In September 2024, the City, the Economic Development Authority, and 512 Hull Street, LLC entered into a Grant Agreement supporting the development of a mixed-income residential project at 512 Hull Street. As part of that agreement, the developer committed to maintaining affordable housing units within the project for a minimum of thirty years in exchange for performance-based economic development incentives. During implementation of the agreement, questions arose regarding the interpretation of certain affordability provisions, including how income-restricted units are counted, how average income designations are calculated, and the standards that apply if the project is not financed through Virginia Housing programs. This amendment does not alter the project's affordability commitments or reduce the number of required affordable units. Rather, it clarifies the parties' original intent, establishes consistent compliance standards, and provides administrative certainty for the City, the Economic Development Authority, and the property owner throughout the affordability period.

COMMUNITY ENGAGEMENT: The affordable housing requirements addressed by this amendment were originally established through a publicly approved incentive agreement

considered by the City Council. This amendment responds to implementation questions identified by City staff, the Economic Development Authority, and the property owner and is intended to ensure transparency, accountability, and long-term compliance with the project's affordability commitments.

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: This ordinance supports Richmond 300's "Expand Housing Opportunities" Big Move and the Inclusive Housing goals of the Master Plan by preserving long-term affordable housing units within a growing mixed-use neighborhood. The amendment also advances One Richmond: An Equitable Affordable Housing Plan by ensuring that affordability commitments associated with publicly supported housing developments remain enforceable and clearly administered. In addition, the ordinance aligns with the Mayor's Thriving Neighborhoods initiative, including Goal A ("Build More Homes for More People") and Goal B ("Develop a New Model of Affordable Housing and Strengthen Housing Stability"), by maintaining affordability requirements that increase housing choice and support long-term housing stability for Richmond residents.

FISCAL IMPACT: No additional fiscal impact is anticipated. The amendment does not increase the amount of incentive previously authorized by City Council, create a new financial obligation for the City, or modify the existing grant structure. Any grant payments will continue to be governed by the terms of the underlying Grant Agreement and subject to previously authorized appropriations and performance requirements.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: June 22, 2026

CITY COUNCIL PUBLIC HEARING DATE: July 27, 2026

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development
Standing Committee

AFFECTED AGENCIES: Office of Chief Administrative Officer,
Department of Housing and Community Development

RELATIONSHIP TO EXISTING ORD. OR RES.: ORD. 2024-195

ATTACHMENTS: 512 Hull Street_First Amendment to Grant Agreement.pdf

STAFF: Sophie McGinley, Council Policy Analyst (804-646-5826)

FIRST AMENDMENT TO GRANT AGREEMENT

This **FIRST AMENDMENT TO GRANT AGREEMENT** (this "Amendment") is made and entered this ____ day of _____, 2026, by and among the **CITY OF RICHMOND, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia (the "City"), **512 HULL STREET, LLC**, a Virginia limited liability company (the "Recipient"), and the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND**, a political subdivision of the Commonwealth of Virginia (the "Authority").

RECITALS

A. The City, the Recipient, and the Authority are parties to that certain Grant Agreement dated September 20, 2024 (the "Grant Agreement"), concerning the development and operation of a residential project located at 512 Hull Street, Richmond, Virginia (the "Project").

B. The Grant Agreement requires the Recipient to restrict occupancy and rents of fifty (50) applicable units within the Project to an average income designation of 80% of AMI, with at least fifteen (15) of those units restricted to an average income designation of 50% of AMI, all according to standards promulgated by the State Housing Finance Agency, for a minimum of thirty (30) years.

C. The parties desire to amend the Grant Agreement to clarify the interpretation of certain terms in Exhibit A, including the meaning of "average income designation," the counting of units in excess of fifty (50), and the standards applicable when the Project is not subject to State Housing Finance Agency financing.

D. Section 9.1 of the Grant Agreement provides that the Grant Agreement may be amended or modified in writing signed by each of the parties.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Grant Agreement.

2. Amendment to Section 2.4 (Affordable Housing). Section 2.4 of the Grant Agreement is hereby amended and restated in its entirety to read as follows:

2.4 Affordable Housing. The Recipient shall restrict occupancy and rents of the Project according to the schedule shown on Exhibit A. Ongoing compliance monitoring and approvals by the State Housing Finance Agency or, as applicable, the City Department of Housing and Community Development, as provided to the City upon the City's request, shall serve as evidence of the Recipient's compliance with this section.

3. Amendment to Exhibit A (Affordable Housing Schedule). Exhibit A to the Grant Agreement is hereby deleted in its entirety and replaced with Exhibit A.1, attached hereto and by this reference made a part hereof.

4. Ratification. Except as expressly amended hereby, all terms, covenants, and conditions of the Grant Agreement shall remain in full force and effect and are hereby ratified and confirmed. In the event of any conflict between the terms of this Amendment and the terms of the Grant Agreement, the terms of this Amendment shall control.

5. Effective Date. This Amendment shall be effective as of May 16, 2025.

6. Counterparts; Electronic Signatures. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. This Amendment may be executed and delivered by facsimile, electronic mail (including PDF or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com), or other transmission method, and any counterpart so delivered shall be deemed to have been duly and validly delivered, be valid and effective for all purposes, and create a valid and binding obligation of the party executing it. Each person executing this Amendment represents and warrants that such person is duly authorized to execute and deliver this Amendment on behalf of the party for which such person is signing.

7. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Grant Agreement as of the date first written above.

CITY OF RICHMOND, VIRGINIA

a municipal corporation of the
Commonwealth of Virginia

By: _____

Odie Donald
Chief Administrative Officer

Date

Authorized by Ordinance No. _____

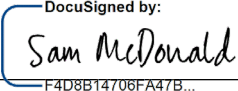
Approved as to Form:

By: _____

City Attorney's Office

512 HULL STREET, LLC

a Virginia limited liability company

By:  _____ Date June 15, 2026
DocuSigned by:
F4D8B14706FA47B...

Name: C Samuel McDonald
Title: Manager

ECONOMIC DEVELOPMENT

AUTHORITY OF THE CITY OF

RICHMOND, VIRGINIA,

a political subdivision of the
Commonwealth of Virginia

By: _____

Chairman

Date

Approved as to Form:

By: _____

General Counsel to the Authority

EXHIBIT A.1

Affordable Housing Schedule

The fifty (50) applicable units within the Project shall restrict occupancy and rents to an average income designation of 80% of AMI (the “Base Affordability Commitment”), with at least fifteen (15) of the fifty (50) applicable units restricting occupancy and rents to an average income designation of 50% of AMI (the “Bonus Affordability Commitment”), irrespective of family size of the occupants of such units, for a minimum of thirty (30) years, according to standards promulgated by the State Housing Finance Agency to the extent the Project is subject to financing (including, without limitation, low income housing tax credit awards) by the State Housing Finance Agency, whose terms and conditions govern the Project, or in the absence thereof, then according to standards promulgated by the City Department of Housing and Community Development that shall be reasonably equivalent to those promulgated by the State Housing Finance Agency.

Interpretation of "Average Income Designation." For purposes of Grant compliance, the term "average income designation" shall mean that, for the set of units counted toward the "fifty (50) applicable units," the average of the income designations assigned to the occupants of those units is at or below 80% of AMI, determined in accordance with the applicable standards. For purposes of the "at least fifteen (15)" set of units, the average of the income designations assigned to the occupants of those designated units shall be at or below 50% of AMI, determined in accordance with the applicable standards and without regard to the family size of the occupants of such units. For the avoidance of doubt, (i) if at any time during the Grant Period the Recipient fails to meet the Bonus Affordability Commitment (i.e., restricting at least fifteen (15) units to an average income designation of 50% of AMI), then the Grant Payment for such period shall be calculated as a percentage of the Incremental Real Estate Tax Revenue based solely on the Base Affordability Commitment, determined as follows: $(\text{number of units restricting occupancy and rents to an average income designation of 80\% of AMI} \div \text{total number of residential units in the Project}) \times (\text{percentage of gross square footage of the Project devoted to residential use})$, but (ii) such failure shall not invalidate the Recipient’s eligibility to receive Grant Payments attributable to the Base Affordability Commitment, which shall be calculated independently of the Bonus Affordability Commitment as further illustrated by the Sample Grant Calculations below.

Counting Units in Excess of Fifty (50). For purposes of administration and calculation of the Grant, if greater than fifty (50) units within the Project restrict occupancy and rents to an average income designation of 80% of AMI, then all such units may be included in the averaging set(s) described above.

Sample Grant Calculations. For purposes of illustration, sample Grant calculations for the Base Affordability Commitment (e.g. the 80% AMI units) are provided below:

# Units Restricted	As a % of Total Units (65)	% Residential Use	Grant Percentage
49	N/A	95%	Minimum not met

50	76.9%	95%	73.0%
58	89.2%	95%	84.0%
65	100%	95%	95.0%