

INTRODUCED: September 8, 2025

AN ORDINANCE No. 2025-189

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept funds in the amount of \$8,719.00 from the United States Department of Housing and Urban Development, and to amend the Fiscal Year 2025-2026 Special Fund Budget by increasing estimated revenues and the amount appropriated to the Department of Housing and Community Development's HOME - ARP Special Fund by \$8,719.00 for the purpose of funding the construction of the Rady Street Apartments project.

Patron – Mayor Avula

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: SEP 22 2025 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, is authorized to accept funds in the amount of \$8,719.00 from the United States Department of Housing and Urban Development for the purpose of funding the construction of the Rady Street Apartments project.

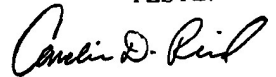
AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: SEP 22 2025 REJECTED: _____ STRICKEN: _____

§ 2. That the funds received from the United States Department of Housing and Urban Development, are hereby appropriated to the Special Fund Budget for the fiscal year commencing July 1, 2025, and ending June 30, 2026, by increasing estimated revenues by \$8,719.00, increasing the amount appropriated for expenditures by \$8,719.00, and allotting to the Department of Housing and Community Development's HOME - ARP Special Fund the sum of \$8,719.00 for the purpose of funding the construction of the Rady Street Apartments project.

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

A TRUE COPY:
TESTE:

A handwritten signature in black ink, appearing to read "Carlin D. Reed".

City Clerk

City of Richmond

Intracity Correspondence

O&R Transmittal

DATE: August 12, 2025

TO: The Honorable Members of City Council

THROUGH: The Honorable Dr. Danny Avula, Mayor

THROUGH: Odie Donald, Chief Administrative Officer

THROUGH: Tanikia Jackson, Deputy Chief Administrative Officer for Finance and Administration

THROUGH: Letitia Shelton, Director, Department of Finance

THROUGH: Meghan K. Brown, Director, Department of Budget and Strategic Planning

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

FROM: Merrick Malone, Director, Department of Housing and Community Development

RE: **Awarding Additional HOME-ARP Special Funds to a Project**

ORD. OR RES. No. _____

PURPOSE: To authorize the Chief Administrative Officer to accept \$8,719.00 from the Department of Housing and Urban Development (HUD) and award the funds to Rady Street Apartments, LLC for the construction of the Rady Street Apartments project, which will support the reduction in regional homelessness.

BACKGROUND: On April 30, 2025, HUD notified the Department of Housing and Community Development that while conducting a “quality control effort,” an administrative error in the allocation of HOME-ARP funds was identified. The error resulted in the City being allocated \$8,719.00 less HOME-ARP funds than it was legally entitled to receive. To correct the issue, HUD issued an amended HOME-ARP grant agreement to the City to sign and return to receive the funds.

On November 12, 2024, City Council approved Ord. 2024-268 authorized the issuance of a grant to Rady St LLC for \$4,964,725.90 for the financing and construction of the Rady Street Apartment project, which will support the reduction in regional homelessness and was selected

as a part of regional application with Henrico County and Chesterfield County for HOME-ARP funding.

This ordinance would allow the CAO to accept the additional \$8,719.00 in HOME-ARP funds from HUD and award the funds to Rady St LLC to increase the amount of funds awarded for the project.

COMMUNITY ENGAGEMENT: NA

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: Reduction in Homelessness regionally, Implementation of one of the strategies in the “Strategy to End Homelessness Plan 2030”, Implementation strategy of the “Equitable Affordable Housing Plan” (EAHP).

FISCAL IMPACT: No impact. The funds would be appropriated after the grant agreement amendment is returned to HUD.

REVENUE TO CITY: There will be additional revenue to the City as it relates to property taxes for any newly created housing units.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: September 8, 2025

CITY COUNCIL PUBLIC HEARING DATE: September 22, 2025

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development

AFFECTED AGENCIES: Department of Housing and Community Development

RELATIONSHIP TO EXISTING ORD. OR RES.:

ATTACHMENTS: Award Letter, US HUD Letter to City of Richmond

STAFF: Merrick Malone, Acting Director, HCD
Amanda Wrinkle, Senior Project Development Manager, HCD



CITY OF RICHMOND

**Housing and Community
Development**

08/11/2025

Allison Bogdanovic
Virginia Supportive Housing (now known as SupportWorks Housing)
1900 Cool Lane, Suite B
Richmond, VA 23223

RE: Additional Award Recommendation of HOME-ARP funds

Dear Ms. Bogdanovic,

We are pleased to inform you that the City of Richmond's Department of Housing and Community Development (HCD) is recommending to the City Council that Virginia Supportive Housing (now known as SupportWorks Housing) receive additional HOME-ARP funding for the Rady Street Apartments project in the amount of \$8,719.00. This funding is the result of an additional allocation from the Department of Housing and Urban Development (HUD) to correct an error in the City's original allocation.

HCD has drafted an ordinance to make the recommendation to the City Council. The ordinance will be introduced on September 9, 2025.

Thank you again for your continued work. If you have any questions, please contact Loren Brown at loren.brown@rva.gov or 804-646-6428.

Sincerely,

Merrick Malone
Director

CC: Julie Anderson



OFFICE OF COMMUNITY PLANNING
AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

April 30, 2025

The Honorable Danny Avula
Mayor of Richmond
City of Richmond
900 E Broad Street
Suite 201
Richmond, VA 23219-6115

Dear Mayor Avula:

In 2021, the Department of Housing and Urban Development's (HUD or the Department) Office of Community Planning and Development (CPD) allocated \$5 billion appropriated by the American Rescue Plan Act (ARP) of 2021 to HOME Investment Partnerships Program participating jurisdictions. These funds, known as "HOME-ARP," are intended to give you the financial tools to assist your most vulnerable citizens by providing housing, shelter, tenant-based rental assistance, and supportive services for persons experiencing or at risk of homelessness, fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, and other populations at greatest risk of housing instability.

While conducting recent quality control efforts, the Department discovered an administrative error in the allocations of the HOME-ARP funds. This error resulted in your jurisdiction inadvertently being allocated less HOME-ARP funds than it was legally entitled to receive. Specifically, the Department determined that your jurisdiction received \$8,719.00 less in its HOME-ARP allocation than it should have. This letter notifies you of the corrected amount of your HOME-ARP award.

Original HOME-ARP Award	Additional Allocation Amount	Revised HOME-ARP Award
\$5,840,854.00	\$8,719.00	\$5,849,573.00

Attached is an amended HOME-ARP grant agreement for your agency's signature, indicating the additional amount you are entitled to and your final corrected amount. Please sign this agreement and return it to your CPD Representative. Please note: Build America, Buy America provisions continue to be waived for HOME-ARP.

Additionally, you must amend your HOME-ARP allocation plan to include the correct amount of HOME-ARP funds in accordance with HUD Notice CPD-21-10 and your citizen participation plan. Depending upon the criteria for substantial amendments established in your citizen participation plan, you may be required to develop a substantial amendment to the HOME-ARP allocation plan.

The requirements for substantial amendments can be found in section V.C.6 of HUD Notice CPD-21-10. The Department can assist you in determining what may be required to be included in a substantial amendment.

The Department regrets this error and apologizes for any inconvenience it may cause. We are working hard to make this process as seamless as possible for all affected recipients. If you or your staff wish to discuss this correction or have any questions about HOME-ARP, please contact your local HUD Field Office or HUD's Office of Affordable Housing Programs at HOMEARP@hud.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Fernandez", with a stylized, flowing script.

Claudette Fernandez
General Deputy Assistant Secretary
for Community Planning and Development