



# City of Richmond

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

## Legislation Text

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**File #:** ORD. 2023-371, **Version:** 1

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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.

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.

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

# 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 Administration

**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