



Friends of Ferrum Park

November 29th, 2023

Franklin County Department of Planning and Community Development

Attn: Steve Sandy, Assistant County Administrator

Email: Steve.Sandy@franklincountyva.gov

Re: RFP #082301 Response – Ferrum Property Development

Mr. Sandy,

Please see our revised answers (highlighted in yellow) below.

Question 1:

Would you consider committing to the housing development of the proposal as Phase I rather than a later phase? Why or why not? In addition, would you expand on how your organization and/or partner(s) will focus on the housing aspect of the proposal?

We have procured financing to purchase the property outright and will be providing the county with a pre-approval letter prior to the Board of Supervisors vote. This will allow us to advance the housing to Phase I of our plan. We have provided an adjusted timeline in our proposal. That timeline adjustment is as follows:

Due to the cost of the necessary infrastructure, we anticipate needing 6 months - 1 year to apply for and receive grants to help cover those costs. This will also allow us time to finish paying off the remainder of the loan needed to purchase the property from the county.

Infrastructure work will coincide with initial phases of housing development. Our plan is to install two to four duplexes at a time which will allow us to further save money on equipment rentals, contractor costs, and foundation costs.

Our proposal aims to build our community mindfully, while being responsible for the surrounding environment and with all consideration for the end-users' costs.



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Housing Development Phase I: (year 1)

Surveying / Permitting / Soil Studies / Evaluations

Grants executed to help cover infrastructure and offset costs to future homeowners

Housing Development Phase II: (year 2)

Sewer/Water/Electrical Infrastructure

Excavation, leveling, foundation work for initial 2 lots

First 2 duplexes (4 units) completed

Excavation, leveling, foundation work for 4 additional lots

Four additional duplexes (8 units) completed

End of year 2: 6 duplexes (12 units) completed

Housing Development Phase III: (year 3)

Assuming the first 6 duplexes (12 units) have sold, we will begin the following:

Excavation, leveling and foundation work for 6 additional lots

End of year 3: Six duplexes (12 units) completed

Phase III will be repeated until 20 lots are completed (40 total units) or until demand wanes. Assuming each unit sells quickly or is pre-sold, we anticipate completing 6 duplexes (12 units) per year beginning in year 2, so the full 40 units will be provided within 4.5 years.

Question 2:

Would you commit to developing a mix of 2-bedroom and 3-bedroom units as part of the housing portion of the project?

Yes, we could certainly accommodate 2- and 3-bedroom units in our proposal. Modular home building, such as that with Nationwide, allows for easy adjustment of floorplans and layouts to accommodate differing needs. The addition of a singular modular unit would allow for an additional bedroom to be added to our existing 2-bedroom floorplan without excessive additional cost, so we are very much open to including that in our development plans.



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Question 3:

The Business Terms seem to indicate that the County would be asked to grant a two-year lease option to you with full use of the property with no payments being made to the County until the end of the two-year option period. Is this correct? If not, please clarify the terms.

We have procured financing to purchase the property outright and have reflected that in the updated proposal.

Question 4:

What is your marketing plan to sell units? Please explain.

After speaking with several realtors, including guidance from our own board member and local realtor, Amy Rider, we know that having a park adjacent to our housing development is a huge selling point for many buyers. While we do have local community members already expressing serious interest in purchasing the housing we're proposing, we fully anticipate utilizing all the conventional means of selling a home- such as listing with a real estate broker- in order to quickly sell the housing that we build.

We also have the advantage of being innovative in our approach to our housing solution by being a community-based nonprofit. We not only have public interest in our project, but media interest as well. We feel that utilizing this interest by connecting with local media sources to cover our project will allow us a farther reach to connect with potential buyers than traditional developers may have.

As well, our pricing structure is set up to encourage purchase thanks to being competitively priced compared to most of the housing on the market currently. Being able to offset the price of the home by utilizing grants and fundraising monies means that we're offering buyers a truly affordable home, even if interest rates continue to climb.

Question 5:

Have you contacted the sources of the grant opportunities that you have described and discussed if your organization and development proposal would be eligible to apply? If so, would you provide details on the types of grants that may be identified?

Our organization will be spending a considerable amount of time identifying and applying for even more grant opportunities for which we are eligible beyond those listed here. Due to the broad scope of our plan, we are eligible for a great deal of grant opportunities that would support various sections of our plan. Below are just a few that we've identified and confirmed our eligibility for regarding specific projects.



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Virginia Housing -

Ed Saunders, our Technical Advisor, spoke with Chris Thompson at Virginia Housing about the various grants that they offer to developers, specifically the Innovative Housing grant which would be used to offset the overall price of the housing we build. Chris confirmed that our plan could qualify for that grant depending on how we include innovative features in our grant proposal. He also gave us a list of other grants we will likely qualify for along with information on pre-development loans should we choose to pursue that type of financing.

USDA Program 10.766 -

We spoke at length with Rob Wilson, local USDA representative.

For this grant, we would qualify as a Priority under their point system since our population is under 5500, along with a community income under 80% of the state median household income. We would write the grant proposal but would need the county to apply for the grant due to our organization not yet being established for 3 years. This grant would help us cover the cost of building a community pavilion for our farmers market including infrastructure for parking. Rob confirmed that our plan would be eligible to qualify for this grant and encouraged us to apply.

Virginia Department of Recreation and Conservation -

We spoke with Kelly Seaton at the VDRC.

This grant would help to cover the cost of creating and improving trails for the park portion of our proposal at an 80/20 match, including a separate grant that could cover the full cost of creating the ADA-accessible portions of our trails. According to Kelly, new nonprofits are eligible to apply for these grants and she highly encouraged us to do so based on our plan.

Virginia Environmental Endowment -

This grant is limited to only those nonprofits in our regional area and are awarded for various purposes that are centered around education and environmental preservation. For this grant, we would apply to help cover the cost of our playground and an amphitheater for educational programs. We anticipate working with both Ferrum College and the local elementary schools to create a unique, environmentally friendly nature-focused playground and nature-centered outdoor amphitheater space.

Question 6:



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Can you tell us what organization would maintain ownership of the projects proposed in Phase I? If so, can you explain what organization will be responsible for the long-term upkeep and maintenance and how that will be funded?

Friends of Ferrum Park will be responsible for all future upkeep and maintenance of the park section of our proposal. We will continue our fundraising and grant efforts after the park has been established so that we can continue to provide a public space and events for our community. Incorporating primitive camping and RV spaces will give us low-upkeep options for passive income that will cover the park's yearly operation costs.

Question 7:

What specific role will each of the listed Partners (page 32 of proposal) play in the development? Can you identify the level of commitment to the project? Do you have support letters from any of those identified partners? If so, please provide.

We have included letters from our listed partnerships who were able to provide them in the time frame given for responding to this query.

We have spoken with a representative from each organization who we have listed. County-based partnerships such as with the Department of Tourism and Parks and Recreation are partnerships that any organization such as ours would have. We deeply appreciate the overall support from Franklin County for nonprofits such as ours and hope to work closely with all county departments on this project, should our proposal be chosen.

As you can see from the attached letters, these partners are not only supportive but very invested in the success of our proposal. This truly is a community project with wide-reaching positive impacts, not only for these partners, but for the community as a whole.

Thank you for your time and consideration. We look forward to hearing from you about the next stage of this process.

Sincerely,

Rebecca Saunders
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