



Department of Virginia Housing and Community Development

**PHCRF How-To-Apply
FY25 Grant Cycle**

August 29, 2024 Webinar

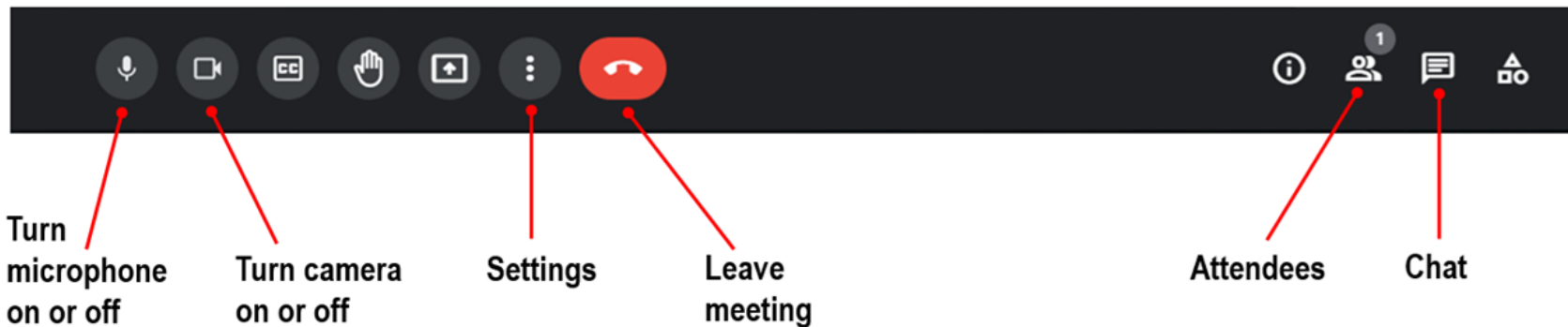


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WELCOME!

- Please mute yourself and turn off your camera
- This session is being recorded
- There will be time for questions using the Chat feature





Port Host Communities Revitalization Fund FY25

AGENDA

- PHCRF OVERVIEW
- ELIGIBLE APPLICANTS
- SCORING & AWARDS
- APPLICATIONS
- QUESTION & ANSWER



Port Host Communities Revitalization Fund

The intent of the PHCRF program is to fund **shovel-ready projects** that will act as a catalyst to **spark additional private investment and job creation** in port-related communities. Port related means any non-residential structure that was built or used for a purpose related to port activities or is located near the port, so as to benefit from the port activities.

SINCE 2020, THE PHCRF PROGRAM HAS



Assisted in 14 projects
across Virginia



Leveraged over
\$27.4 million in public
& private investment



Resulting in the creation
of more than 100 jobs



Port Host Communities Revitalization Fund (PHCRF) General Funds Snapshot

WHAT : Funding for the rehabilitation and revitalization of vacant commercial and industrial structures located in port-related communities

WHY : To catalyze revitalization by eliminating blight through market-driven redevelopment

HOW : Grants or Loans of up to \$480,000 with a 1:1 match required, with total amounts available up to \$1 million based on need

WHEN : Awarded annually, with applications open typically from Summer to Fall (Sept. 3-Oct. 4, 2024)

WHO : Local Government applicants (can be on behalf of non-profit or for-profit), IDA/EDAs



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FY25 TIMELINE



August 29, 2024: PHCRF How to Apply Webinar

September 3, 2024: PHCRF Grant Applications Open in CAMS

October 4, 2024: PHCRF Grant Application Deadline

Winter 2024/2025: PHCRF Grant Awards Announced

Spring 2025: PHCRF Awardee Contract Negotiations, projects then have 18 months to use PHCRF funding once contract is signed





ELIGIBLE PROPERTIES



The program is targeted toward **vacant and deteriorated** properties whose poor condition creates a notion of physical and economic blight in the surrounding area, and often is a deterrent to surrounding development.

It is **not** the intent of PHCRF to fund new construction, scattered site projects or the development of greenfield projects.

ELIGIBLE

- Manufacturing
- Warehousing
- Theaters
- Hotels
- Transportation
- Shopping Centers
- Power Production
- School Buildings



INELIGIBLE

- Greenfield Sites
- Scattered Sites



ALLOWABLE ACTIVITIES



The PHCRF program is flexibly designed so that funds can be used for a wide variety of revitalization and redevelopment activities such as **acquisition, rehabilitation, or repair** (including securing and stabilizing for subsequent reuse) of specific structures, as well as **demolition, removal, and other physical activities**.



Funds may not be used solely for acquisition or demolition unless it can be demonstrated that the locality has committed other redevelopment funds to the property, and there is a market-based redevelopment plan outlining reuse options, target markets/niches, and a property marketing strategy including the entity responsible for implementation. Generally, demolition should be used only in circumstances where the size or location of a building precludes any significant redevelopment potential or in cases where there is an imminent safety threat.

Grant administration is not an eligible activity for PHCRF



ELIGIBLE APPLICANTS

Only **local governments** (cities, counties, or towns), and **regional or local economic or industrial development authorities** may submit applications for PHCRF Grants.

A unit of local government may apply directly for funding to use on publicly owned property **OR** on behalf of a for-profit or non-profit entity for privately owned property.



Localities may designate a redevelopment authority or another similar organization as an agent for project implementation and administration.

GRANTS



- The property is publicly owned
- The privately owned property has an option agreement or contract in place for purchase by a local government at the time of the application
- The private property is owned by a not-for-profit, tax-exempt entity

LOANS



- The property is owned by a private, for-profit entity & the end-use will be owned by a private, for-profit business
- PHCRF Grant/Loans may be funded as a grant to the applicant local government (or local Development Authority), who will in turn make a loan to the for-profit entity.



LOCALITY RESPONSIBILITY

1

A locality may submit one application per funding round; therefore, localities must identify and authorize the projects that will have the most meaningful impact on local community revitalization and economic development efforts.



As such, **a resolution** from the local governing body authorizing the request for funding is an application requirement.

LOAN STRUCTURE

PHCRF Grant/Loans may be funded as a grant to the applicant local government (or local Development Authority), who will in turn make a loan to the for-profit entity. The following standard terms and conditions will apply to all projects unless DHCD determines that a regionally significant project requires more favorable terms. The terms of the loan must be agreed to by DHCD.

- Interest Rate: 2.5%
- Amortization: Up to 20 Years (negotiated on a project-by-project basis)
- DHCD will require an executed performance agreement with the developer



MATCH

To demonstrate project viability and the applicant's commitment, applicants are **required to provide a 100 percent (1:1) match from private or public sources.**

The match must either be cash or documented costs that are **directly associated with the improvements to the property where PHCRF funds are expended.**

Local match may include federal (CDBG or other), state, local, and private funds spent on activities directly related to the targeted project **within the last full fiscal year (July 1, 2023 – June 30, 2024).**



ELIGIBLE MATCH

- Acquisition costs
- Documented costs directly associated with physical activities on the PHCRF project site
- Construction-related soft costs such as engineering, design or architectural activities
- Investments into Machinery & Tools
- Public notices, permit or dumping fees and inspections costs (or waivers of such) directly related to physical activities
- No more than five percent (5%) local match will be accepted as in-kind or cash for out-of-pocket administrative costs

INELIGIBLE MATCH

- State or local taxes
- Site remediation
- Interest or principal payments on current debt on the property
- Investments in Business Personal/Tangible Property (Furniture, Fixtures, and Equipment)



FUNDING PRIORITIES



Relationship to a local or regional economic development strategy



Project with a clear end use



High degree of blight and deterioration to be addressed



End use has clear & significant community economic impact



Project readiness



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SCORING

Funds will be allocated through a competitive process that will give greater priority to projects leading to the efficient and immediate redevelopment and/or reuse of abandoned “industrial” structures.

Applications will be evaluated according to a scoring system. Projects scoring highest will be selected for funding first. Projects will be awarded funds in descending order until all funds are allocated. In no case will applications scoring below 70% be approved.

A strong application will be able to document that the project is **shovel-ready but could not be finished without the injection of the PHCRF funds.**

Projects that act as a catalyst to spark additional private investment and job creation in distressed areas that have been targeted for development and community revitalization will be considered strongly.

Due to the competitive nature of PHCRF awards, any projects that cannot meet this criteria may score lower on an application.

This round of PHCRF applications will require a 1:1 match, **regardless** of amount requested.



APPLICATION PROCESS

1

REGISTER YOUR ORGANIZATION IN CAMS

Applications for PHCRF funding must be submitted through DHCD's Centralized Application Management System (CAMS).

You can access CAMS using the following link:

<https://dmz1.dhcd.virginia.gov/camsportal/Login.aspx>

A profile request can be made by going to the CAMS site and selecting the “**Registration**” option. In order to register your organization, you will need your organization's UEI number and FEIN number.



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APPLICATION PROCESS

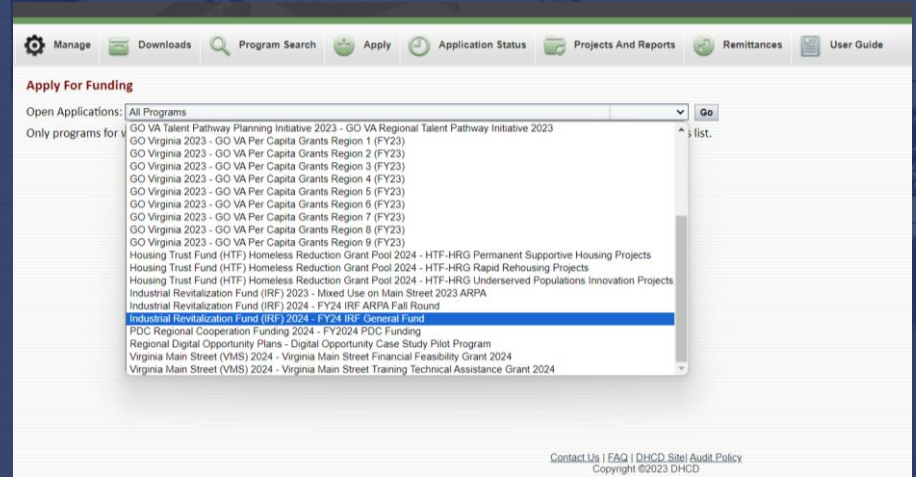
2 START APPLICATION IN CAMS

The PHCRF application will open in CAMS on **Sept. 3, 2024**.

Once your organization has been registered, you may log in with your username and password and select the **“Applications and Programs”** option. From this page, select the **“Apply”** option and select **“FY25 PHCRF”** from the dropdown menu. A description of the program will appear. Click the **“Apply”** button next to the pencil icon to begin an application.

As you complete the application, **be sure to save each page**. You have the option to close out of CAMS and return to the application at any time until the application is submitted, or the deadline has passed.

You have until midnight on **October 4, 2024**, to complete your application. Note that DHCD staff will not be available for support after 5PM that day.



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PROJECT BUDGET



Complete the **Project Budget** tab and discuss the funding for the proposed project in the budget narrative section. Identify ALL activities that need to be undertaken in order to return the property to a viable economic use. In the case of activities in which costs will be paid for by funds other than PHCRF, use the “*Other*” category. In the narrative, please list the specific source of non-PHCRF funds.

The screenshot shows a web application interface for project budget management. At the top, there is a navigation bar with icons for Manage, Downloads, Program Search, Apply, Application Status, Projects And Reports, Remittances, and User Guide. Below this is the 'Application Submission' section, which includes fields for Application ID (103708152023160712), Application Start Date (08/15/2023), Project Name (IRF Test Project), Application End Date (10/27/2023), and Program Name (FY24 IRF General Fund). The 'Project Budget' tab is selected, and a 'Save This Tab' button is visible. The 'Project Budget Information' section prompts the user to enter a total request of \$0.00. A table lists cost/activity categories with columns for DHCD Request, Other Funding, and Total. A dropdown menu is open, showing options like Acquisition, Architectural and Engineering Fees, Building Construction/Renovation, Clearance and Demolition, Inspection, Legal Expenses, Other Direct Costs, and Other.

Cost/Activity Category	DHCD Request	Other Funding	Total
Building Construction/Renovation	\$0.00	\$0.00	\$0.00
Acquisition	\$0.00	\$0.00	\$0.00
Architectural and Engineering Fees	\$0.00	\$0.00	\$0.00
Building Construction/Renovation	\$0.00	\$0.00	\$0.00
Clearance and Demolition			
Inspection			
Legal Expenses			
Other Direct Costs			
Other			



PROJECT OVERVIEW



Introduce us to your project! Please complete the summary sheet and **provide a brief description of the project** here.

PROJECT SUMMARY SHEET

Project Name	
Locality Applying	
Property Address	
Year Built	
Original Use of Property	
Property Size SF	
Vacant Since	
Owner	
Developer	
End User	
Total Project Budget	
PHCRF Request	
Intended Use of PHCRF Funds	
Intended Use of Property	
Potential # of Jobs to be Created	
Current Condition of Property	



Questions Relating to Local Strategies

Clear relationship to a local or regional economic development strategy



Development Strategies: Discuss any local or regional economic development strategies or plans and explain how this project ties in with those identified goals & outcomes.

Local Development: Discuss any recent or upcoming public or private investments that will contribute to, or benefit from, the success of this PHCRF project.





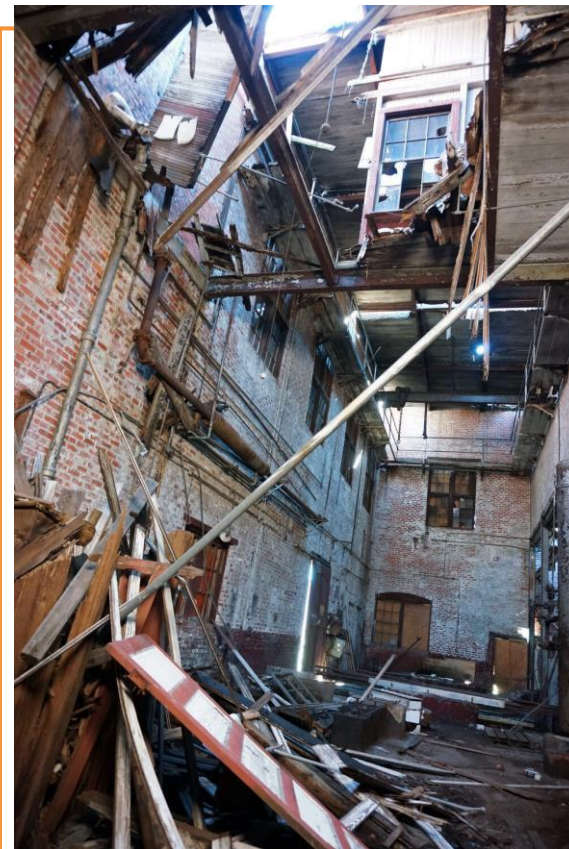
Questions Relating to Blight and Vacancy

High degree of blight & deterioration to be addressed



Discuss the rationale for the selection of the targeted property versus other vacant and deteriorated properties in the locality. Why is this project the highest community priority?

Discuss how this property was determined to be blighted and describe the derelict elements of the building. Discuss the negative impact that the property, in its current condition, has had on other investment and job creation in the surrounding area. Include in the attachments photographs of the property to demonstrate the derelict condition of the exterior and interior.



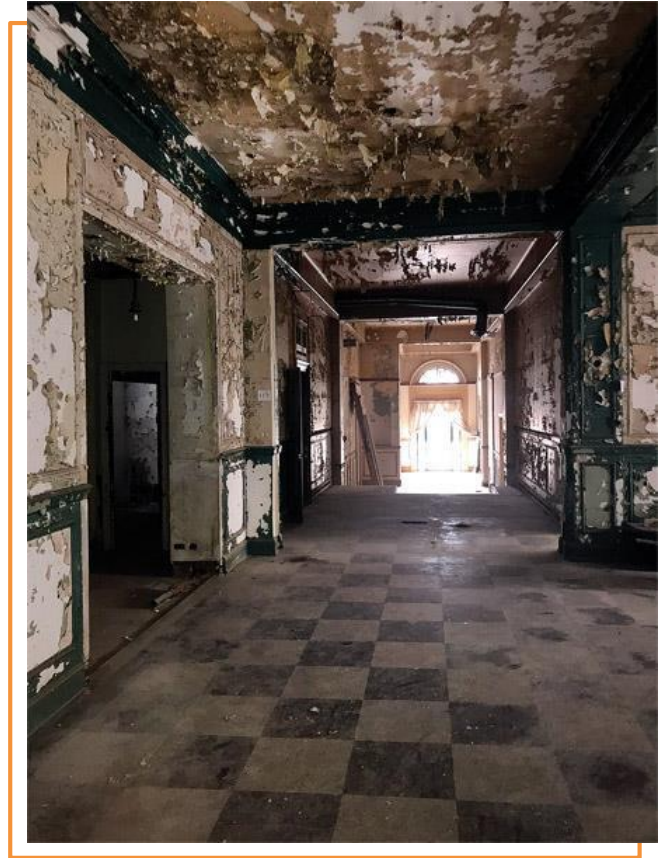


Questions Relating to Project Readiness

Project Readiness

List any public or private investments or initiatives during the following timeframes, that have or will contribute to or benefit from the success of the PHCRF project:

- a. Within the past two years
- b. Currently underway
- c. Within next two years

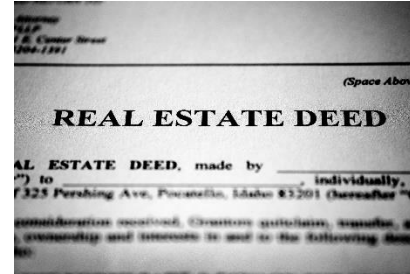
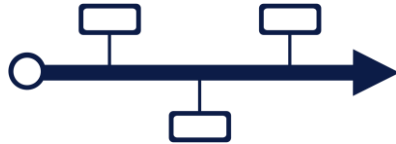




Questions Relating to Project Status

Project Readiness

Project Status: Please complete the project status chart. Provide a brief narrative here discussing ownership of the property, what has been done to date and any potential obstacles to completion.





Questions Relating to Stakeholders

Project Readiness

Developer: If a Developer has already been identified, discuss the developer's experience and capacity. If the local government will act as the Developer include similar information. If a Developer has not been identified, discuss the process and timeline for securing one.

Matching Funds: Please complete the matching funds chart and include documentation of all secured matching funds as an attachment. Describe here why PHCRF assistance is absolutely necessary to complete the project.



MATCH FUNDING CHART

Source of Match Funding	Amount of Funding	Status of Funding
Town of Kingston Façade Grant	\$60,000	Awarded Fall 2020
DHR Emergency Supplemental Historic Preservation Fund (ESHPP)	\$120,000	Application submitted July 2, 2021, award notification August 20, 2021
Union Bank	\$420,000	Approved loan (commitment letter dated July 20, 2021 attached)
Private/philanthropic	\$75,000	Secured, using for A & E services
TOTAL	\$675,000	



Questions Relating to End Use

Project with a clear & impactful end use



Discuss the end-use of the property, including evidence of its economic viability. Cite and include relevant sections of market research, pro-formas, or other economic data. Please include a copy of the end-use business plan, if available.

Discuss how end-users will be identified, and discuss interest or commitments from possible end-users.

Provide the anticipated operating budget once project is stabilized. Discuss how the facility will be managed upon completion.





Questions Relating to Economic Impact

Project with a clear & impactful end use

Please indicate the **primary community economic impact of this project**, including net new full-time and part-time jobs, new businesses, and leveraged private investment.

Please describe the **secondary community economic impact of this project**, such as increased local sales, meals, or lodging tax revenues, increased export or non-export (tourism) revenues, increased daily and/or overnight visitors, and availability of commercial square footage or residential units.

Please describe **any additional impact of this project**, such as access to services or resources, workforce development, and quality of life improvements.





ATTACHMENTS

Local Assurances: The *Chief Administrative Officer* for the locality must sign to certify that the information in this application is accurate and correct and that the property meets the eligible definition of “blighted”.

Resolution: The governing body of the locality must authorize the application for Port Host Communities Revitalization Funds for the specific property (address will be sufficient) and documenting the **specific dollar amount in PHCRF matching funds** from the locality and other sources. If the locality is applying on behalf of a non-profit or private for-profit entity, the resolution should document the specific match amount and indicate that it is the responsibility of that entity to come up with the match, as appropriate.

Photographs: Photos of the entire property, inside and out, to show its current state

Additional Project Info: Pro forma, business plans, etc.



The more information provided at the time of application, the greater the evidence that the project is “ready to proceed.” In addition, the more information provided upfront, the sooner the project can get underway if awarded funding.



Q & A



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PHCRF RESOURCES

Program Materials are saved online:

<https://www.dhcd.virginia.gov/phcrf>

Today's recording & updated materials will be added to the page

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PORT HOST COMMUNITIES REVITALIZATION FUND

CONTACT:

realestate@dhcd.virginia.gov

The General Assembly has allocated funding to be used for the strategic removal or redevelopment of port related properties in the five port host communities of the town of Front Royal and the cities of Newport News, Norfolk, Portsmouth, and Richmond. For the purposes of this program, the term "port-related" will be considered to mean any non-residential structure that was built or used for a purpose related to port activities, is located near the port so as to benefit from port activities, or is located on or near a transit route (rail or highway) that served/serves the port. These structures, in their current deteriorated condition, may not be suitable for productive use and may stand as a substantial deterrent for future economic opportunity in the surrounding area and region.



ELIGIBILITY

The funding can be used for the removal or redevelopment of port-related properties in the town of Front Royal and the cities of Newport News, Norfolk, Portsmouth and Richmond.

RESOURCES

[Program Guidelines](#)
[Application Instruction Manual](#)
[Locality Contacts](#)

HELPFUL LINKS

[CAMS](#)
[Industrial Revitalization Fund](#)

THANK YOU



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