

RESOLUTION MEMORANDUM

DATE: May 21, 2026

TO: Board of Commissioners
Richmond Redevelopment and Housing Authority

FROM: Steven A. Nesmith
Chief Executive Officer/Secretary

SUBJECT: RESOLUTION 2026-16– TO AUTHORIZE THE APPROVAL OF THE SELECTION OF THE FAY TOWER CO-DEVELOPER-AMENDED

Executive Summary

The purpose of this Resolution is to authorize the Chief Executive Officer to approve the selection of the Fay Tower Co-Developer.

Background

On August 1, 2025, the Richmond Redevelopment & Housing Authority issued a Request for Proposal 2025-18, a Co-Developer for Fay Towers. RRHA initially determined that the NHP Foundation and the Hanson Company (the Developer collectively) were the most qualified respondent whose proposal was the most favorable to RRHA and the Richmond Community. Since the initial procurement determination, NHP and the Hanson Company have submitted a letter stating that they want to withdraw from consideration as a development partner. **See the attached letter.**

With NHP and Hanson’s withdrawal, and according to RRHA’s procurement policies, it is recommended that the next most qualified respondent with the second highest score be considered for selection as the co-developer on the proposed Fay Tower project.

Recommendation

It is therefore recommended that the full RRHA Board approve this Resolution.

May 12, 2026

Colene S. Orsini, Vice President
Procurement & Contract Administration
Richmond Redevelopment and Housing Authority
600 East Broad Street, 4th Floor
Richmond, VA 23219

Dear Ms. Orsini,

On behalf of The NHP Foundation, I want to thank you for the opportunity to explore partnering with RRHA on the redevelopment of Fay Towers. Your time, transparency, and hospitality are deeply appreciated. After careful consideration of all the facts of the redevelopment, we have decided to withdraw from consideration as a development partner.

We arrived at this conclusion after visiting the site and consulting with our architect and general contractor, which gave us a clearer understanding of the challenges facing the property and the Gilpin Court redevelopment at large. Unfortunately, our original assumptions in our RFP response no longer aligned with our perspective of the redevelopment's realities.

Specifically, our initial expectations were to be a traditional merchant developer with a clearly defined exit at permanent loan conversion, the ability to have unrestricted units that command higher rents given the surrounding revitalization, and the ability to upgrade the units in line with costs customary for a substantial renovation of a vacant building.

After additional due diligence we believe it is difficult at this time to justify unrestricted units, which hampers the financial underwriting, and the interior walls are masonry, which increases construction costs significantly requiring more funding to balance sources and uses and raise questions on the ability to execute on this redevelopment program.

This decision was not made lightly. To show our support we are willing to conduct a debrief so you can understand these concerns in greater detail. We believe the Gilpin Court Redevelopment effort is important and transformative, and we genuinely appreciate the opportunity to learn more about it.

Thank you again for your time and consideration.

Sincerely,


Mansur Abdul-Malik, Senior Vice President
The NHP Foundation

cc: Steven Nesmith, CEO
Sherrill Hampton, SVP of Real Estate and Community Development
Jeff Lines, TAG Associates, Inc.

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

PROPOSED RESOLUTION

Meeting Date: June 17, 2026

Resolution No. 2026-16

TITLE: RESOLUTION APPROVING THE SELECTION OF THE FAY TOWER CO-DEVELOPER-AMENDED

RESOLUTION:

WHEREAS, on August 1, 2025, the Richmond Redevelopment and Housing Authority (“RRHA”) issued Request for Proposal 2025-18, a Co-Developer for Fay Towers;

WHEREAS, of all respondents evaluated, RRHA determined that the NHP Foundation & the Hanson Company were the most qualified respondent whose proposal offered the most favorable terms to RRHA and the Richmond community at large;

WHEREAS, after submission of the selection to the RRHA Board of Commissioners (the “Board”) for approval, with a recommendation for approval from the Board’s Real Estate and Community Development Committee, the NHP Foundation & the Hanson Company withdrew their proposal and requested to no longer be considered as RRHA’s development partner for Fay Towers;

WHEREAS, pursuant to RRHA’s Procurement Policy, RRHA reviewed the next most qualified respondent with the second highest score for consideration and selection;

WHEREAS, upon review, RRHA determined that Housing Restoration, Inc. (the “Developer” or “HRI”) was the second most qualified respondent whose proposal offered the most favorable terms to RRHA;

WHEREAS, as a result of this revised selection process, it is necessary for the Board to take appropriate official action to approve the selection of the Developer.

NOW, THEREFORE, BE IT RESOLVED, by the Board as follows:

1. That Housing Restoration, Inc. shall be selected as RRHA’s developer-partner for the work described in the RFP, which selection shall be memorialized by a subsequent Master Development Agreement (“MDA”);
2. That the Board authorizes the Chief Executive Officer to begin negotiations of a Term Sheet consistent with the HRI’s proposal, along with such other conditions and agreements as may be necessary or incidental to implementing an arrangement favorable to RRHA; and

3. That the Chief Executive Officer shall deliver to the Board a finalized Term Sheet and subsequent MDA consistent with the intent of this resolution.

COMMISSIONERS' ACTION

RESOLUTION #: 2026-16

Approved _____
Date

Disapproved _____
Date

Tabled _____
Date

Withdrawn _____
Date

SIGNED:

Eddie L. Jackson, Jr., Chair
RRHA Board of Commissioners

Votes Recorded				
Commissioner	Aye	Nay	Abstain	Absent
Eddie L. Jackson, Jr.				
Charlene Pitchford				
Dyanne Broidy				
Kyle R. Elliott				
Barrett Hardiman				
W.R. "Bill" Johnson, Jr.				
Gregory Lewis				
Marika McCray				
Harold Parker, Jr.				

**Richmond Redevelopment and Housing Authority
Board Resolution Packet
Certification of Funding Availability**

- APPLICABLE**
 NOT APPLICABLE *(If checked, do not complete form)*

[To be completed by the department presenting the resolution]

Resolution #: _____

Resolution Title: _____

Funding Request

[Narrative Description] _____

Funding Source(s):

Operating

Amount(s)

\$ _____

Capital (Account #)

\$ _____

\$ _____

TOTAL

\$ _____

If applicable-

Amount of previous contract

\$ _____

Amount expended through [date]

\$ _____

[To be completed by Finance]

I _____ certify that the funds to be expended in relation to
Print Name [Chief Financial Officer or Budget Officer]

this resolution are available in the RRHA budget.

Chief Financial Officer or Budget Officer
Signature

Date