



City of Norfolk

Virginia

Office of the City Council

December 29, 2018

Mr. Joseph J. DeFelice, Regional Administrator
U.S. Department of Housing and Urban Development/
Philadelphia Regional Office
100 Penn Square East 11 Floor
Philadelphia, PA 19107-3380

RE: CNI Grant for Norfolk, Virginia

Dear Mr. DeFelice:

This letter is asking that HUD defer a decision on (or reject) the City of Norfolk's application for a CNI grant until the next round of applications is considered. I was the sole member of the Norfolk City Council who voted against the city's approval to give the Norfolk Redevelopment and Housing Authority (NRHA) authorization to make application for the CNI grant. While I support the intent of the project, I do not believe that the process in being done fairly.

The main reason for my concern is that the city nor NRHA were fair in their selection of a master developer. The request for proposal did not include a valiant effort to get African American applicants to respond. I would also go so far as to say that some of the members of the selection team were complicit in making sure that the proposed master developer had an inside tract.

Secondly, the committee that was selected to evaluate applicants had no real experience in evaluating a developer at this level or for a project of this magnitude. The proposed master developer has identified a local partner that has historical ties to the power elite of Norfolk to share equally in the first phase of this project. The reason given for the selection of this group as partners is because this group has experience in applying for low income tax credits for housing. I do not believe this as being factual but rather an effort to continue generational wealth of the power elite of Norfolk. There must be hundreds of developers that have that experience, some of which are probably African American.

The funds that you will ultimately grant to cities are funds that should be fairly shared throughout the communities making application. The target community for this project is ninety-nine per cent African American and I strongly believe that the affected community should be able to share in the wealth that will be enjoyed as a result of this gentrification effort.

Based on these concerns, I would again request that a decision on the City of Norfolk's application for the CNI grant be deferred until some of my concerns can be addressed and satisfied.

Sincerely,

Councilman Paul R. Riddick,
Ward 4