

American Rescue Plan Act (ARPA) Funding Application

[Print](#)**Submitted by:****Status:** Open**Priority:** Normal**Assigned To:** Jonathan Storage**Due Date:** Open**Attachments**

- [ED LLC Attachments ARPA Application.pdf](#) - 2021-12-14 04:54:29 pm

**American Rescue Plan Act (ARPA)****Funding Application****Non-Profit, Community Groups, Neighborhood Associations, and Businesses****APPLICATION DEADLINE: December 15th 2021**

Application must be completed in full to be considered. Applications may be submitted online using this fillable form. But forms and attachments may also be submitted by email to ARPA@cityofcharleston.org or by U.S. Mail to City Manager's Office, 501 Virginia Street East Charleston, WV 25301.

All requests for funding **must be directly related to COVID-19 mitigation or recovery efforts** and must fall within the parameters of at least one of the goals set by the treasury department along with other requirements listed within this application.

GENERAL INFORMATION*** Name of Project/Program:**

900 on Lee

*** Organization Name:**

ED, LLC

*** Address:**

5521 Ohio River Road, Point Pleasant, WV 25550

*** Primary Contact Person:**

Kim Cook

Title:

Chief Financial Officer

* Phone:

304-937-2023

* Email:

kcook@abcontractingwv.com

Federal Tax ID:

14-1983503

If applicable: DUNS Number:

118430140

To obtain a DUNS number please visit <https://fedgov.dnb.com/webform> After obtaining, please register your organization with the System for Award Management at <https://sam.gov/SAM/>

List the organization’s owner(s), Board of Directors, senior staff members, and other key members:

Edward A. (Allen) Bell, Organizer, President, and Owner Greg Essig, Member (pending – anticipated 12/2021) ED LLC is a small business engaged in real estate development, property management, and rental of business space and apartments. It has previously provided single-family housing but is currently focused the project “900 on Lee,” the renovation of the property located at 901 Lee Street in Charleston, Kanawha County, West Virginia, for the purpose of apartment housing (65 units) and business rental space (17,346 ft2). ED LLC is owned by EAB Global which is a company wholly owned by Allen Bell who serves as the company’s president. ED LLC accomplishes most of its work through contracts with AB Contracting (see below).

Describe any partner organizations, their roles, and your relationship with them:

AB Contracting provides building construction, renovation, and management services through contracts with ED LLC, including contracts for the 900 on Lee project. The relationship between the companies is close; AB Contracting has provided services for all of EAB Global’s projects and the companies have the same owner (Allen Bell). AB Contracting is highly experienced in planning and executing projects from single family homes to multi-family complexes and buildings. AB Contracting understands the dynamics of the building industry and the impact of the COVID-19 pandemic on the industry. AB Contracting is ED LLC’s consultant on this grant application. AB Contracting’s key staff include: - Owner and Chief Executive Officer Allen Bell - Chief Operating Officer Brian Wadsworth - Chief Financial Officer Kim Cook - Job Superintendent Josh Biland who oversees AB Contracting’s work for ED LLC and its 900 on Lee project - Matt Smith, architectural designer for the 900 on Lee project

BUDGETARY OVERVIEW - Must match Budget Worksheet

* Funds Requested	* Total Program/Project Cost	Annual Organization Budget
\$ 4,100,100	\$21,445,800	\$1,444,901 (Expenses after completion of construction)

Request Summary

1. Provide a narrative overview/summary of the request.
- Topics that may be included but not limited to:
- a. Purpose and anticipated outcomes

b. Individuals, entities, or communities served

c. How the pandemic has necessitated this request

d. Amount of any estimates and bids received to date

e. Timeline for project completion

“900 on Lee” Project Overview and Purpose ED, LLC’s Project “900 on Lee” will support the revitalization of Charleston’s downtown area. 900 on Lee includes the acquisition, renovation, and use of the property located at 901 Lee Street, Charleston, Kanawha County, West Virginia. The primary building was previously the Huntington Bank Building; it is currently vacant and in poor condition with only the parking facility in use. This building will be fully renovated to include business space for banking, an improved parking garage with 453 parking spaces and rooftop green space, and 65 housing units. A second building, previously the Huntington Bank Dickinson Street Building, is also vacant and in poor condition. This building will be demolished; the area will be converted into surface parking. 900 on Lee is in progress and started with property acquisition in April 2021. Full project completion is anticipated in June 2022. The scope of the grant project includes the property purchase through construction/renovation completion. The project will be completed well within the grant deadline of December 2024. Budgeted expenses to complete the project are \$21,445,800 from property purchase through construction/renovation completion. Annual operating expense, shown above as annual organization budget, is \$1,444,901 for building management and maintenance expense.

Project Outcomes. 900 on Lee will have a positive impact on Charleston through four primary outcomes: economic development, job development, housing, and payment of City fees and taxes. Outcome 1: Economic Development: 900 on Lee is budgeted for \$21,445,800. The project will renovate an unused building and demolish a dilapidated building. The project is a step in the revitalization of the downtown Charleston area and will result in improved housing, reduction of vacant buildings, and economic/job development. Outcome 2: Job Development: During the project, more than 15 people, with \$695,000 in salary and benefit expense, will be engaged under contract in the construction, renovation, and management work. Many additional subcontractor staff will perform project work. After the project's completion, about 4 staff positions (\$125,000 in salary and benefits) will be responsible for building operation and maintenance. Additionally, 10 to 12 contract staff will provide cleaning and maintenance services. The banking operations to be performed by a committed building tenant, will include local services, centralized administrative offices, and banking management for a total of about 20 to 30 employees. Outcome 3: 900 on Lee includes 65 housing units that will occupy the top fifteen floors of the building. The housing is designed for healthy living through design features, services provided, and other amenities. Outcome 4: The city will benefit from collection of business and occupancy (B&O) taxes and City Use Fees. The project budget includes an estimated \$300,000 in B&O taxes and \$50,000 in city fees. At full occupancy, estimates are annual City B&O taxes of \$24,121, City Use Fees of \$520, and Kanawha County Real Estate tax of about \$300,000. Business occupants will pay an estimated \$2,600 annually in City Use Fees. Additionally, business occupants will pay City B&O taxes based on their business activity. Community Served. The project serves the downtown Charleston area, and in particular the community surrounding 901 Lee Street. 901 Lee Street is in Census Tract 54039000900 (Census Tract 9, Charleston, West Virginia). This 0.6 square-mile community has a population of approximately 1,100 people. The median household income is \$13,000, significantly less than Charleston (\$41,000), Kanawha County (\$48,000), West Virginia (\$49,000), and the United States (\$66,000). Approximately 56% of households in Census Tract 9 are below the poverty line as compared to approximately 16% of West Virginia households. The median resident age is 49 for Census Tract 9, compared to 27 for Charleston and 47 for West Virginia. Census Tract 9 is a Low-Income Community Opportunity Zone and Qualified Census Tract (QCT). This QCT designation means that the federal government recognizes that the poverty rate is at least 25 % or that at least 50 % of the households have incomes below 60% of the area median income. QCTs include the most economically distressed population in an area. Housing development projects in QCTs are supported through the American Rescue Plan Act to provide support for low-income communities disproportionately impacted by the COVID-19 pandemic. The 900 on Lee project will bring employment opportunities and housing opportunities that will attract new residents to the QCT resulting in an overall increase in average household income for the area. Benefits to the City of Charleston. ED LLC has a passion to support efforts to revitalize downtown Charleston and "bring the city back." 900 on Lee aligns well with key aspects of the City of Charleston's Strategy. The City's Community Development Strategy includes the demolition of vacant, abandoned, and dilapidated structures in the City; the 900 on Lee project removes a dilapidated and vacant structure and invests in the renovation of a vacant and worn structure. The City's strategy seeks to increase safe, decent, and accessible housing through neighborhood revitalization and housing construction. The 900 on Lee Project will strengthen housing stock in an area identified as a Qualified Census Tract (QCT) and will attract new residents to this downtown area. The City's Strategy seeks economic development through increased employment opportunities and the revitalization of economically distressed areas of the city; the 900 on Lee Project brings new jobs (housing services and banking services) to an economically distressed QCT. Additionally, the project restores and preserves a historic building. The City of Charleston will also benefit directly from the collection of B&O taxes from the building operation and use of the parking garage. Additionally, both ED LLC and the businesses located at 900 on Lee will pay City Use Fees. Influence of the COVID-19 Pandemic on the Project and Grant Request. The COVID-19 Pandemic resulted in higher labor and material costs and an extended project timeline for 900 on Lee. Design considerations to reduce the potential for COVID-19 add additional project cost. The total economic impact directly attributable to COVID-19 is \$3,504,793, as detailed below. Construction Labor Cost. Construction labor costs include a budgetary increase of 10-12 % above rates for similar projects two years ago. This budget increase is based on AB Contracting's experience with projects over the past eighteen months. The COVID-19 pandemic directly impacted these costs through a decrease in worker availability resulting in an increase in wages. Additionally, ED LLC (and AB Contracting) continues to pay worker salaries when staff are ill or need to care for ill family members; the pandemic has resulted in an increase of these expenses. These increases are incorporated into the 900 on Lee project budget, using an overall increase of 11 %, the total impact is \$542,012. Construction Material Cost. Construction materials have increased in cost and are now 18-22% above rates experienced two years ago. These increases are due to increases in expenses incurred by suppliers and due to increase in logistics expense and are directly attributable to the COVID-19 pandemic. These increases are incorporated into the 900 on Lee project budget and are estimated to have a 20 % impact, or \$1,657,731. Timeline Extension. The impact of reduced labor availability and extended material delivery timelines has been incorporated into the 900 on Lee Street project plans. The result is that the project will take an estimated 15 months to complete instead of a pre-pandemic timeline of 10 months. The additional 5 months required to complete the project impact revenue projections directly and represent lost revenues of \$ 1,105,050 (\$ 144,550 from business rentals, \$915,500 from housing rentals and fees, \$45,000 in parking rentals). Gross revenue is used in this calculation because ED LLC incurs most of the expenses of its on-going budget even during the construction period. Reducing Occupant COVID-19 Risk. To reduce the likelihood of COVID-19 spread to residents and business staff and their customers, the building's HVAC system will be completely replaced. The new system will have improved circulation and reliability as well as a filtration and UV-C system. The HVAC system's total installed cost is budgeted at \$3,680,000; about \$200,000 of this cost is related to modifications directly addressing COVID-19 concerns. Reducing COVID-19 Risk at the Worksite. Modified methods help reduce the likelihood of COVID-19 exposure at the workplace. These methods include use of personal protective equipment and site sanitation as well as management attention to COVID-19 prevention. Workers are encouraged to stay home when ill, and paid sick days support this request. While these modified methods have impacted project expenses, funding for this aspect is not requested. Summary of COVID-19 Impact. As detailed above and summarized below, the direct COVID-19 pandemic impact on the project is \$3,504,793. Impact of increased labor costs \$ 542,012 Impact of increased material costs \$ 1,657,731 Impact of extended

construction timeline \$ 1,105,050 Reducing Occupant COVID-19 Risk (HVAC) \$ 200,000 Total direct impact of COVID-19 Pandemic on 900 on Lee project \$ 3,504,793 Additional Steps to Create a Healthy Living Environment. The American Rescue Plan Act includes funding to help create healthy living environments, particularly in QCTs. Several aspects of the building design directly address the desire to create a healthy living environment including asbestos mitigation and resident amenities. The HVAC replacement significantly impacts the Healthy Living Environment objective, but its costs and benefits are not repeated here. Note that in order to avoid double-counting eligible expenses, expenses noted in this section are based on pre-COVID19 estimates. The cost increases resulting from COVID19 are included in the previous section. Asbestos Mitigation. In order to create a healthy living environment and in compliance with building regulations, the building was examined for lead paint and asbestos. While lead paint was not detected, significant asbestos removal was required, adding \$207,207 of ARPA eligible expense (actual expense with COVID19 impact is \$230,000). Security and Sprinkler Systems. All-new security and sprinkler systems are incorporated into the renovated building’s design to support resident safety and a positive environment. These systems add \$963,125 of ARPA-eligible expense (actual expense with COVID19 impact is \$1,155,750). Resident Amenities / Use Facilities. The vision of 900 on Lee includes provision of amenities and services that will result in a healthy living environment for residents. The design and renovation work includes a gym, a pool, a dog walking area, a cookout area, and other common-use areas. Apartments are from 909 to 1650 square feet, and leasing rates will be semi-inclusive, meaning rent, services, parking, trash, and cable are bundled in the lease rate. Tenants will pay for electric and water services separately. The result is that new residents will be attracted to this QCT located in downtown Charleston. The project’s construction costs related to providing amenities for a healthy community in a QCT is an ARPA-eligible expense of \$349,014 including \$181,306 in contract services and \$167,708 in materials. (The actual expense including COVID19 cost increase is \$402,500; \$201,500 in contracted services and \$201,500 in materials). Summary: Healthy and Safe Living Environment Costs. Under this healthy community category, the project includes these ARPA-eligible expenses: Asbestos Mitigation \$207,207 Security and Sprinkler System \$963,125 Amenities/Resident Use facilities \$349,014 Total: Healthy Living Expense \$1,519,346 As noted above, these expenses do not include the COVID-19 expense increases in labor and materials; this direct COVID-19 impact is also ARPA-eligible and included in the above section titled “Influence of COVID-19 pandemic on project and grant request expenses.” Summary and Justification of Grant Request. As shown in the budget attachment, the project cost is an estimated \$21,445,800 over the 15-month construction period. \$ 3,504,793 of the costs are directly related to the economic impact of COVID-19. Additional expense of \$1,519,346 is related to providing a healthy and safe housing environment in the QCT. The total ARPA-eligible expenses are \$5,024,139. ED LLC requests American Rescue Plan funding from the City of Charleston of \$4,100,000; this figure represents 81.6% of the eligible expenses and 19.1% of the overall project budget. Direct Impact of COVID-19 \$3,504,793 Healthy/Safe Living Expense \$1,519,346 Total Eligible Expenses \$5,024,139 Total Project Investment \$21,445,800 Grant Request \$4,100,000 Grant Request as a % of Eligible Expenses 81.6 % Grant Request as a % of Total Project Investment 19.1 % Contracts and Bidding Process ED LLC relies on AB Contracting to effectively secure subcontractors and materials. AB Contracting has established relationships with providers based on previous work. AB Contracting evaluates suppliers based on reliability, cost, and ease of working relationship. Because suppliers have long-term relationships with AB Contracting, suppliers provide maximum discounts based on volume work and this benefit is passed on to ED LLC. AB Contracting uses a disciplined process for selecting subcontractors. Bid packages are developed by AB Contracting’s architectural planner. Bid packages are typically provided to three or four qualified companies. Bids received are considered based on price, timing, and contractor’s track record. West Virginia contractors are preferred. Material suppliers are selected to ensure the best pricing at the required quality. Annually, AB Contracting evaluates supplier bids to ensure the maximum discount and best pricing is achieved. West Virginia suppliers are preferred. ED LLC has contracted with AB Contracting for the full project work. The budget amounts shown represent the contractual amounts with additional estimated (budget) detail. AB Contracting has identified some subcontractors and material suppliers for 900 on Lee. Project Status including Estimated Project Cost and Timeline. The 900 on Lee project is in progress. The property was acquired in April 2021 and building renovations (previous Huntington Bank Building) are in progress and scheduled to be complete in June 2022. The demolition of the previous Huntington Bank Dickinson Street building is planned for January 2022. Overall, the project is scheduled for June 2022 completion with plans for occupancy beginning in 2022. American Rescue Funding Grant Request Summary. The 900 on Lee project will renovate a previously vacant and dilapidated property resulting in housing and banking spaces, economic development, employment opportunities, and increased City of Charleston revenue. As shown in the budget attachment, the project cost is an estimated \$21,445,600 over the 15-month construction period. The project is aligned with the City of Charleston’s strategy. American Rescue Plan Funding-qualified expenses, direct COVID-19 negative economic impact, and healthy community housing features in a QCT, are \$5,024,139. The project is in a Qualified Census Tract and serves a disproportionately impacted community. This grant request for American Rescue Plan funding from the City of Charleston is \$4,100,000; 81.6 % of qualified expenses and 19.1 % of the overall project budget.

Attach any additional information such as bids, concepts, designs, letters of support, etc. If submitting electronically the documents must be in PDF, Excel, or Word format and total file size must not exceed 10 megabytes.

Program/Project Details

- * 1. The funding will be used to:
- ☐

Start a new program/project
- ☒

Maintain an existing program/project
- ☐

Expand an existing program/project

* 2. If funded, will the program/project be completed within FY 2022?

If no, when is expected completion year?

Yes

No

3. Which eligible ARPA Expenditure Category does this program/project represent (See <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf> for further details)? Please check all that apply:

- *
- ☐ Public Health

☒ Negative Economic Impacts

☒ Services to Disproportionately Impacted Communities

☐ Premium Pay

☐ Infrastructure

☐ Other

4. Briefly describe the program/project funds are being requested for:

The 900 on Lee project will renovate a previously vacant and dilapidated property resulting in housing and banking spaces, economic development, employment opportunities, and increased City of Charleston revenue. The project is in a Qualified Census Tract and serves a disproportionately impacted community. American Rescue Funding-qualified expenses (negative economic impact, healthy community) are \$5,024,139. This grant request for American Rescue Plan funding from the City of Charleston is \$4,100,000; 81.6 % of qualified expenses and 19.1 % of overall project budget of \$21,445,800.

5. Describe the need for this program/project:

The project is aligned with the City of Charleston’s strategy since it demolishes a vacant / dilapidated structure and renovates another structure to increase safe, decent housing in an economically distressed area. Additionally, the project will result in about 35 on-going jobs. The project brings new housing and business space to a Qualified Census Tract (QCT) and attracts new residents to the area.

6. List other Charleston organizations in Charleston that address this need:

We are unaware of similar projects in this area.

7. Describe the level of collaboration with other organizations on this program/project:

ED LLC collaborates with AB Contracting through contracts for management, construction activity, and materials. AB Contracting subcontracts work and purchases materials under contract with a preference for West Virginia businesses.

8. How will duplication of services be prevented?

N/A

Program Requirements and Objectives

1. Identify the target recipients of proposed services. Specify the number of City residents the program will serve during the fiscal year and explain the basis upon which this number is calculated.

The program will renovate a building providing 65 housing units, 17,346 ft2 business space, and 453 parking spaces at 900 Lee Street, Charleston. This location is in a Qualified Census Tract (QCT – Tract 9, 54039000900). Target recipients include those who benefit from the completed project (2023): • 150 estimated residents who will reside in the 65 housing units (180 is maximum occupancy), • 15 employees and contractors of ED LLC who will operate and maintain the building after occupancy, • 20-30 employees of a banking business located in the building, and • 100 individuals who will utilize the parking building through leased spaces. Additional individuals will use unassigned parking spaces. The total individuals impacted annually (starting in 2022 occupancy period) is estimated to be about 290 individuals. Additionally, 15 project management staff and additional subcontractor staff who participate in the renovation of the property (2021-2022) will benefit from the project.

2. List any eligibility requirements the program has with respect to age, gender, income, or residence.

Project staff are hired / contracted for without regard to age, gender, or income. Companies located in West Virginia are preferred subcontractors. Apartments will be leased without respect to age, gender, or residence. Income must support rent payment.

3. If this is a continuing activity, describe a measurable outcome of the previous year's work regardless of funding source.

This is a new project. The property was purchased in April 2021 with private funds.

4. If this is a new program describe two anticipated measurable outcomes for the proposed program.

Outcomes are described in the request summary. Two anticipated measurable outcomes are: Completion of the 900 on Lee project by June 2022 at a total investment of about \$21,445,800. 900 on Lee creates 65 housing units designed for healthy living, 17,346 ft2 business space, and 453 parking spaces.

Budget

* 1. Has the organization received funding from the City of Charleston in the past for a similar program/project?

☐ Yes ☒ No

* 2. Has the organization requested funding from other Federal, State, or Local government entities for any program/project support related to COVID-19?

☐ Yes ☒ No

3. If yes, explain from which entities and the amounts requested for each program/project.

Note that while we have not requested funding from other Federal, State, or Local government entities yet, we anticipate requesting American Rescue Plan Act funding from Kanawha County. Again, we have not yet submitted an application.

4. List any other Federal, State, Local, or private funding or grant awards received in the last three years and the amount and status of each award.

N/A

5. Briefly summarize project revenues and expenses related to this request. This should coincide with the budget worksheet.

The project is currently in a construction phase requiring an investment of \$21,445,800. Project revenues are mainly through self-funding (\$17,345,800 or 81.9%); this grant request if funded will provide \$4,100,000 or 19.1% of required funding. Project expenses do not include salaries/wages or benefits/matchings because the project work is accomplished through contracts. Contracted services total \$5,469,375 and include demolition, asbestos removal, architectural services, and general remodeling services. Project materials are purchased under contract and total \$9,946,375. Materials include major renovation items such as the security and sprinkler system, the building generator, and the HVAC system as well as general remodeling materials. The project is focused on property purchase, construction, and remodeling and does not have marketing or supply expenses. "Other" project expenses total \$6,030,050 and include purchase of the property (\$4,575,000), City of Charleston Fees and B&O Taxes (\$350,000), and the economic impact of a 5-month timeline extension due to COVID19 (\$1,105,050). As described above, this economic impact is equivalent to 5-months of rental revenue. The budget worksheet also indicates the amount of ARPA funds requested from the City. ED LLC used a detailed analysis of ARPA-eligible expenses and distributed the \$4,100,000 proportionately across categories. The background of these calculations are provided in the supplemental document, "900 on Lee Budget." The supplemental document, "900 on Lee Budget" provides a more detailed project budget and evaluation of ARPA-eligible expenses, a budget narrative for the project budget, and an anticipated annual budget for 900 on Lee occupancy after construction completion.

6. If this request is not fully funded, what adjustments to the program/project is the organization prepared to make?

If this request is not fully funded, ED LLC plans to secure the remainder of funding needs through business loans or private funding.

7. Describe the plan for sustainability of the program/project or initiative after the requested award has been exhausted.

The requested award will be utilized during the construction period. 900 on Lee will be sustainable as an on-going business initiative due to the collection of residential rent and fees, business leases, and parking income which exceed expenses.

8. Briefly describe the organization’s fiscal oversight / internal controls to minimize opportunities for fraud, waste, and mismanagement.

ED LLC contracts with AB Contracting for financial services. The company uses three layers of fiscal oversight which include separation of duties, internal audits, and external audits. Separation of duties include specific procedures for the accounts payable process. Invoices are first reviewed and approved by the project manager, then sent to an accounting assistant to be entered into the accounting system. Invoices in the system are reviewed by the CEO, and when approved for payment, the accounting manager enters payment authorization into the system. Checks are printed and reviewed a second time before being sent to the vendor. Every month all bank reconciliations are completed

and reviewed by the CFO and CEO. Internal audits are conducted by the CFO on a monthly and quarterly basis. External audits are completed by a CPA firm annually.

9. How does your agency plan to separate ARPA funds from other agency funds for purposes of identification, tracking, reporting and auditing?

ED LLC will open a new bank account to separate the ARPA funds from the general operating account. The CFO will review project expenses and determine what portion of project expenditures are eligible for payment with grant funding. These eligible expenses will be documented and a matching transfer from the grant account to the general account will be made.

REQUESTED BUDGET WORKSHEET

Revenue Source Projections

List all Estimated Funding for this Program/Project

* Proposed City ARPA Funding	Internal/Self-Funding
\$4,100,000	\$17,345,800
Donations/Other Fundraising	Government Grants/Other
* TOTAL REVENUE	
\$21,445,800	

Expenses Projections

List all Estimated Expenses for this Program/Project

Salaries/Wages

Amount Requested from City	Amount from Other Sources	Total Estimated Expenses

Benefits & Matchings

Amount Requested from City	Amount from Other Sources	Total Estimated Expenses

Contracted Services

Amount Requested from City	Amount from Other Sources	Total Estimated Expenses
759,364	4,710,011	5,469,375

Program Materials

Amount Requested from City	Amount from Other Sources	Total Estimated Expenses
2,438,848	7,507,527	9,946,375

Marketing

Amount Requested from City	Amount from Other Sources	Total Estimated Expenses

Supplies

Amount Requested from City	Amount from Other Sources	Total Estimated Expenses

Other

Amount Requested from City	Amount from Other Sources	Total Estimated Expenses
901,787	5,128,263	6,030,050

Total Expenses

* Amount Requested from City	* Amount from Other Sources	* Total Estimated Expenses
4,100,000	17,345,800	21,445,800

NOTE: Revenues and Expenses must balance, and the use of requested funds must be directly related to COVID-19 recovery efforts.

Organizational Details

1. Describe the history of the organization and its current programs and activities.

ED LLC is a small business engaged in real estate development, property management, and rental of business space and apartments. Founded in 2006, ED LLC has previously provided single-family housing, but is today focused on the project "900 on Lee," the renovation of the property located at 901 Lee Street in Charleston, Kanawha County, West Virginia, for the purpose of apartment housing (65 units) and business rental space (17,346 ft2). ED LLC is owned by EAB Global which is a company wholly owned by Allen Bell who serves as the company's president. ED LLC accomplishes most of its work through contracts with AB Contracting.

2. Provide the organization's mission statement/purpose.

ED LLC has the purpose of residential building operations and leasing.

3. List any third-party references that can verify the organizations qualification or prior grant experience.

Greg Ullman SVP, Commercial Lending Peoples Bank 201 Penn Avenue S Charleston WV 304-205-7149 gullman@peobo.com Mr. Ullman provided a letter of reference. A copy of the letter will be submitted with this application.

COVID-19 Impact

1. Explain the impact of the COVID-19 pandemic and how it relates to your request. For example, reduction in services, closures, increased costs, community impact, etc.

The COVID-19 pandemic has resulted in economic harm through increased project costs and an extended timeline. This impact is common across the United States, although cost increases vary by location. The U.S. Chamber of Commerce publishes a quarterly Commercial Construction Index that is designed to gauge the outlook for the commercial construction industry based on survey responses from contractors. For the third quarter of 2021, the major trend reported is that commercial construction contractors are facing skilled labor and material shortages. 93 % of contractors reported that they are experiencing material shortages, particularly shortages in steel and lumber. 55 % of contracts reported difficulty in hiring skilled workers with 79% of these contractors indicating labor costs have increased. 60 % of contractors are experiencing delays. [Reference: "Commercial Construction Index Q3 2021," U.S. Chamber of Commerce, published at www.uschamber.com, 2021.] AB Contracting's experience is consistent with these trends and notes further that material costs from its suppliers have increased 18 to 22 % and that labor costs have increased 10 to 12 %. The impact of material delays and worker availability on the 900 on Lee project is an estimated delay of 5 months. Calculated economic impact follows. Material costs have increased about 20 %, resulting in an additional project expense of \$ 1,657,731. Labor costs have increased about 11 %, resulting in an additional expense of \$542,012. Relatively low labor and material availability have resulted in a 5-month extension of the project's timeline. This directly impacts the projects income by \$1,105,050. The HVAC system replacement includes features specifically designed to reduce the transmission of the COVID-19 virus. These features cost \$200,000. The total direct impact of COVID-19 is \$3,504,793. Note that additional expenses of \$1,519,346 enhance healthy living aspects of this project in a qualified census tract (QCT) and are ARPA-eligible expenses.

2. If funds are being requested to replace revenue lost due to COVID-19, provide details, and attach supportive documentation.

The loss in revenue is due to the 5-month timeline extension and is calculated based on revenue (rents and fees) in the provided annual budget. The project anticipates annual income from rental and fees of \$2,652,120. Using a factor of 5 months / 12 months/year = 0.4167, the delay results in lost revenue of (\$2,652,120*0.4167=) \$1,105,050. The supplemental budget information provided shows the details of anticipated income.

3. If awarded, how will ARPA funding aid in the recovery from the COVID-19 pandemic?

This ARPA grant will support two of the four purposes of the funding act: The grant will sustain a small business (ED, LLC) impacted by high costs and lost revenue due to the COVID-19 pandemic. Additionally, the grant supports recovery by supporting housing and job development in a qualified census tract (QCT). The project is also well-aligned with the City of Charleston's strategy.

THE APPLICANT UNDERSTANDS:

*

☒ **1. This application and other materials submitted to the City may constitute public records which may be subject to disclosure under the West Virginia Freedom of Information Act. Documents containing sensitive information may be marked as "confidential."**

*

☒ **2. Submitting false or misleading information in connection with an application may result in the applicant being found ineligible for financial assistance under the funding program, and the applicant or its representative may be subject to civil and/or criminal prosecution.**

THE APPLICANT CERTIFIES THAT:

*

☒ **1. I have reviewed the US Treasury guidelines regarding the eligible uses of American Rescue Plan State and Local recovery funds. <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-fund/request-funding>**

*

☒ **2. By submitting this request, I represent that I am an authorized officer, or member of the organization for which I am submitting, and the information contained in my submittal is true and correct to the best of my knowledge and belief.**

*

☒ **3. The information submitted to the City of Charleston ("City") in this application, and substantially in connection with this application, is true and correct.**

*

☒ **4. The applicant is in compliance with applicable laws, regulations, ordinances and orders applicable to it that could have an**

adverse material impact on the project. Adverse material impact includes lawsuits, criminal or civil actions, bankruptcy proceedings, regulatory action by a governmental entity or inadequate capital to complete the project.

*

☒ **5. The applicant is not in default under the terms and conditions of any grant or loan agreements, leases or financing arrangements with its other creditors that could have an adverse material impact on the project.**

*

☒ **6. I understand and agree that I must disclose, and will continue to disclose, any occurrence or event that could have an adverse material impact on the project.**

*

☒ **7. I certify that the requested funding is needed to ensure this program/project will occur within the City limits of Charleston West Virginia.**

*

☒ **8. The Board of Directors or governing body of the organization has approved submission of this application. Please attach a copy of the authorizing resolution or meeting minutes using the file upload.**

*** Signature**

*** Date**

Kim Cook

Authorized representative of Applicant/Organization

12/14/2021

Format: MM/DD/YYYY

*** PRINTED NAME:**

Kim Cook

*** TITLE OF APPLICANT:**

Chief Financial Officer, Under contract with ED. LLC

*** ORGANIZATION NAME:**

ED, LLC

Upload a File

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	A	B	C	D	E	F	G	H	I	J
1	Project Name: 900 on Lee									
2	Company Name: ED LLC									
3	Project Construction Budget - 900 on Lee - ED, LLC									
4	Note: The project scope includes property purchase, preparation, full remodel of one building, demolition of a second building. See Operating Budget for standard income and expenses when building is operating at full capacity. This is a project budget, from April 2021 to Completion (June 2022).									
5										
6	REVENUE									
7	Proposed City ARPA Funding	4,100,000								
8	Internal/Self-Funding	17,345,800								
9	Donations/Other Fundraising									
10	Government Grants/Other									
11	TOTAL REVENUE	21,445,800								
12										
13	EXPENSES			ELIGIBLE EXPENSES - American Rescue Plan Act				GRANT REQUEST FORM DATA		
14		Budgeted Amount	Cost Escalation Calcuations							
15			Pre-Covid Estimate	Increase Cost Due to Covid Estimated	Reducing COVID Risk (HVAC)	Healthy Living Environment	Total Eligible Expense	Amount Requested from City	Amount from Other Sources	Total Estimated Expenses
16	Salaries / Wages	-						-	-	-
17	Benefits & Matchings	-						-	-	-
18	Contracted Services (11 % increase due to C19)	-								
19	Demolition	569,250	512,837	56,413			56,413	46,036	523,214	569,250
20	Asbestos Removal	230,000	207,207	22,793		207,207	230,000	187,694	42,306	230,000
21	Architectual Services	546,250	492,117	54,133			54,133	44,176	502,074	546,250
22	General Remodeling	3,922,625	3,533,896	388,729			388,729	317,226	3,605,399	3,922,625
23	Amenities	201,250	181,306	19,944		181,306	201,250	164,232	37,018	201,250
24	Contracted Services, Subtotal	5,469,375	4,927,363	542,012	-	388,513	930,525	759,364	4,710,011	5,469,375
25	Program Materials (20 % increase due to C19)	-								
26	Security and Sprinkler System	1,155,750	963,125	192,625		963,125	1,155,750	943,162	212,588	1,155,750
27	Generator	488,750	407,291	81,459			81,459	66,475	422,275	488,750
28	General Remodeling	4,420,625	3,683,854	736,771			736,771	601,250	3,819,375	4,420,625
29	HVAC System	3,680,000	3,066,666	613,334	200,000		813,334	663,730	3,016,270	3,680,000
30	Amenities	201,250	167,708	33,542		167,708	201,250	164,232	37,018	201,250
31	Program Materials, Subtotal	9,946,375	8,288,644	1,657,731	200,000	1,130,833	2,988,564	2,438,848	7,507,527	9,946,375
32	Marketing	-					-	-		-
33	Supplies	-					-	-		-
34	Other	-								
35	Property purchase including Closing Expense	4,575,000	4,575,000	-			-	-	4,575,000	4,575,000
36	City Fees and B&O Tax	350,000	350,000	-			-	-	350,000	350,000
37	Expense related to timeline (5 month Revenue Loss)	1,105,050		1,105,050			1,105,050	901,787	203,263	1,105,050
38	TOTAL EXPENSES	21,445,800	18,141,007	3,304,793	200,000	1,519,346	5,024,139	4,100,000	17,345,800	21,445,800
39				3,504,793						
40				Direct C-19 Impact Subtotal						
41							81.6% Per cent of eligible project expenses requested 19.1% Per cent of overall project expense requested			

Budget Narrative - 900 on Lee - ED, LLC - PROJECT BUDGET

Cell Reference	Description
B7	ED LLC requests a total of \$4,100,000 from the City of Charleston in American Rescue Plan Act funding.
B8	Most (\$17,345,800, 80.9 %) of project expenses are self-funded including the use of business loans.
B11, B38	The total project revenue equals the total project cost of \$21,445,800.
Row 16	All labor is provided through contracted services; no direct salary / wages expense.
Row 17	Because labor is provided through contracted services, there are no benefit or matching expenses.
Row 18-24 Column B-D	Project services /labor are provided through a contract with AB Contracting. Column C shows the pre-COVID cost; labor costs have increased 11% due to C19. This cost increase is shown in column D and is an eligible ARPA expense. Column B is the budgeted amount, the sum of column C and D.
B24-D24	Cell G24 is the total for contracted services: \$5,469,375. As shown in cell D24, \$542,012 is the cost increase due to COVID. (Calculation: Cost increase of 11%: Precovid expense \$4,927,363 * 0.11 = \$542,012 Budgeted amount = Precovid expense \$4,927,363 + Cost increase due to COVID \$542,012 = \$5,469,375)
Row 25-31 Column B-D	Project materials are provided through a contract with AB Contracting. Column C shows the pre-COVID cost; material costs have increased 20 % due to COVID-19. This cost increase is shown in column D and is an eligible ARPA expense. Column B, the budgeted amount is the sum of column C and D.
B31-D31	Cell B24 is the total for project materials: \$9,946,375. As shown in cell D31, \$1,657,731 is the cost increase due to COVID. (Calculation: Cost increase of 20%: Precovid expense \$8,288,655 * 0.20 = \$1,657,731
B32-B33	No marketing expenses or supply expenses for the construction project.
B35	The property was purchased in April 2020 at an cost of \$4,575,000 including closing expense.
B36	City Fees and B&O Taxes are estimated
Row 37	COVID-19 has impacted labor and material availability and resulted in an additional five months in the construction phase. This means a 5-month loss of revenue. As shown in the Operating Budget, 900 on Lee will have annual revenue of \$2,652,120. 5-month revenue loss = \$2,652,120 * 5 months / 12 months = \$1,105,050. This is a direct impact of COVID-19 and an eligible ARPA expense.
E29	The design of the HVAC system was modified to reduce the likelihood of COVID-19 exposure. The budgeted cost of the modifications is \$200,000. This is a direct impact of COVID-19 and an eligible ARPA expense.
Column F	ARPA includes some healthy living expenses related to housing in qualified census tracts (QCT). For this project, healthy living environment expenses include asbestos removal, security and sprinkler systems, and resident amenities including a gym, pool, dog walking area, and cook-out areas. These are all covered expenses. As shown in F24, the contracted services subtotal for these items is \$388,513 and as shown in F30, the program materials subtotal is \$1,130,833. The total expense is shown in F38, \$1,519,346. This is an eligible ARPA expense. Note that the budget numbers in column F use the pre-COVID cost estimates. This is to avoid double-counting the cost increase due to COVID-19 shown as an eligible expense in D38.
Column G	Column G summarizes the ARPA eligible expenses.
G38	Total ARPA eligible expenses are \$5,024,139. Calculation: Cell D38: \$3,304,793 in increased cost due to COVID-19 including services, materials, and lost revenue + Cell E38: \$200,000 of HVAC expense to reduce the likelihood of COVID-19 exposure + Cell F38: \$1,519,346 of Healthy Living Environment expenses in QCT housing = Total in Cell G38: \$5,024,139 of ARPA Eligible expense
Column H to J	These are the three columns requested in summary form on the City's Grant request.

Column H	The total amount of the grant request is \$4,100,000 as shown in H38. An equal portion (81.6%) of eligible expenses shown in Column G are requested. Calculation example: Eligible Program Materials = G31 = \$2,988,464. Requested amount = \$2,988,464 * 0.816 = \$2,438,848.
Column I	Column I is the funding provided through other sources. Calculation: Budget (Column B or J) - Grant Request (Column H)
Column J	Column J is the Total estimated expenses, repeated from Column A.
G39 & G40	These cells summarize the request: The grant request is for 81.6 % of eligible expenses ($H38/G38 * 100\% = 4,100,000/5,024,139 * 100\% = 81.6\%$). The grant request is 19.1 % of overall project expenses ($H38/B38 * 100\% = 4,100,000/21,445,800 * 100\% = 19.1\%$)

Project Name: 900 on Lee

Company Name: ED LLC

Project Construction Budget - 900 on Lee - ED, LLC

Note: This is the summary version of "Project Budget Detail" and includes only the item requested on the City's American Rescue Plan Act Budget Worksheet.

REVENUE	
Proposed City ARPA Funding	4,100,000
Internal/Self-Funding	17,345,800
Donations/Other Fundraising	
Government Grants/Other	
TOTAL REVENUE	21,445,800

EXPENSES	REQUESTED BUDGET WORKSHEET		
	Amount Requested from City	Amount from Other Sources	Total Estimated Expenses
Salaries / Wages	-	-	-
Benefits & Matchings	-	-	-
Contracted Services	759,364	4,710,011	5,469,375
Program Materials	2,438,848	7,507,527	9,946,375
Marketing	-		-
Supplies	-		-
Other	901,787	5,128,263	6,030,050
TOTAL EXPENSES	4,100,000	17,345,800	21,445,800

Project Name: 900 on Lee

Company Name: ED LLC

Annual Operating Budget

Note: This is the planned operating budget for 900 on Lee in the Occupancy period. It includes anticipated annual income and expenses. Note that while only a portion of the parking income is expected during the construction period, ED, LLC experiences many of the listed expenses during the construction period.

Income

Apartment Rent (100% Occupied)	2,065,200
Commerical Rent	346,920
Parking building	108,000
Pet Fee	72,000
Storage Unit Fee	60,000
	<hr/>
	2,652,120

Expenses

Salary & Benefits	125,000
Contracts	
Security	250,000
Building Maintenance	250,000
Window Washing	36,000
Elevator Maintenance	6,000
Apartment Vacancy (typical 5 % vacancy)	103,260
Taxes and Fees	
Real Estate Taxes (Kanawha County)	300,000
B&O Tax (Charleston)	24,121
City User Fee (Charleston)	520
Utilities, Elec, Water, Internet	300,000
Supplies (Cleaning)	50,000
	<hr/>
	1,444,901

Net Income	1,207,219
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RESOLUTION OF ED, LLC

December 9, 2021

The undersigned, being the sole Member of ED, LLC, a West Virginia limited liability company ("Company"), hereby adopts the following Resolutions:

WHEREAS, the Company is a for-profit limited liability company, organized and existing under the laws of the State of West Virginia;

WHEREAS, the Company is applying for a grant from the American Rescue Plan Act through the City of Charleston, West Virginia;

WHEREAS, it is in the best interest of the Company to apply for the grant.

The undersigned Member of the Company, being the Sole Member, **HEREBY CERTIFIES** that the Company is organized and existing under and by virtue of the laws of the State of West Virginia as a limited liability company for profit, with office at 5521 Ohio River Road, Point Pleasant, West Virginia 25550.

NOW, THEREFORE, BE IT RESOLVED BY THE COMPANY AS FOLLOWS:

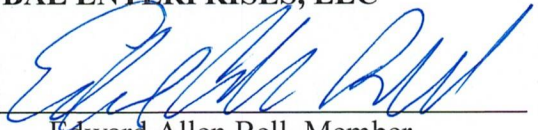
1. The Company specifically adopts authorizes the application of grant funding from American Rescue Plan Act through the City of Charleston, West Virginia, for Four Million One Hundred Thousand Dollars (\$4,100,000.00)
2. The Company identifies Edward Allen Bell as an Authorized Officer to take actions and execute documents necessary for or related to the application.
3. The Authorized Officer is hereby authorized to take any action and execute any certificate, instrument, or other document which may be required for the application of the grant from American Rescue Plan Act Through the City of Charleston, West Virginia. Any such actions taken or documents executed prior to the adoption of these Resolutions are hereby ratified, approved, and confirmed.
4. That any and all acts authorized pursuant to these Resolutions and performed prior to the passage of these Resolutions are hereby ratified and approved, that these Resolutions shall remain in full force and effect and The City of Charleston may rely on these Resolutions until written notice of its revocation shall have been delivered to and received by The City of Charleston. Any such notice shall not affect any of the Company's agreements or commitments in effect at the time notice is given.

IT IS FURTHER CERTIFIED that the foregoing Resolutions stand of record on the books of the Company effective immediately as of the date set forth above, and that the Resolutions are in full force and effect and have not been modified or revoked in any manner whatsoever. The Company has no company seal, and therefore, no seal is affixed to this certificate.

ED, LLC
A West Virginia Limited Liability

**By its Member,
EAB GLOBAL ENTERPRISES, LLC**

By: _____


Edward Allen Bell, Member



Working Together. Building Success.

American Rescue Plan Act Funding Application
City Manager's Office
City of Charleston
501 Virginia St East
Charleston WV 25301

At the request of our customer, ED, LLC, please be advised of the following information. We currently have a deposit account and a loan with this customer. The earliest was opened in 11/15/2011. ED, LLC, as well as its principals have maintained a superior relationship with our Bank for over 10 years.

We provided a line of credit to ED, LLC to begin the project at 900 on Lee, and therefore have extensive knowledge of the project's goals and objectives. We have great confidence that ED, LLC will finish the project on time. The contractor on this project, AB Contracting has completed a number of multi family apartment complexes and housing developments that we have also funded, and each project was a multimillion-dollar investment, and their obligations were fulfilled in a timely manner with great success. Both companies have proven to be exemplary in providing the bank all necessary financial documents to show the allocations of funds to obtain draws on credit lines and therefore providing detail accounting spreadsheets and statements will not be an issue.

The current economic impact of COVID-19 has cost ED, LLC equally monetarily and in timeliness due to the higher cost of labor and materials and the ability to obtain both.

If I can be further assistance in this matter, please do not hesitate to contact me.

Thank You,

Gregory S Ullman
SVP, Commercial Lending
Peoples Bank
201 Penn Avenue S
Charleston WV
O-304-205-7149 E-gullman@pebo.com