

April 15, 2026

Waynesboro City Attorney
Waynesboro City Council
Waynesboro City Manager

From: Mary McDermott

I am writing to protest the decision made by the Waynesboro City Council on April 18, 2026, to donate \$500,000 of Waynesboro taxpayer dollars to Enterprise Community Development (EDC).

EDC proposes to construct a 96 Multifamily; 1-3 Bedroom Unit development known as the "1030 Alston Court Affordable Housing Project". This is a \$36 Million Project. On its website EDC claims: "Our Community Development Financial Institution, Enterprise Community Loan Fund, is one of the Largest nonprofit loan funds in the country, delivering high-impact capital to the people and places that need it most." (Emphasis added.)

Apparently, EDC has arranged for \$35.2 million worth of financing for the Alston Court project. Yet it cannot find a way to finance the remaining \$750,000 without donations from the City of Waynesboro and the Community Foundation. Meanwhile, its loan fund continues to advertise to developers throughout the country that it has loans available for affordable housing projects.

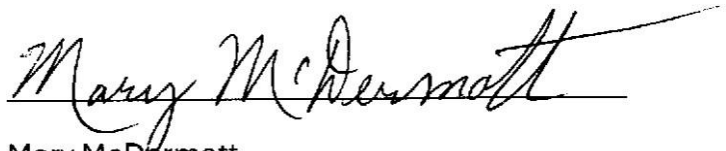
The City staff briefing, and the Council's resolution, on this matter indicate that "due to recent funding reductions at the federal funding level" EDC would not be getting \$750,000 it was expecting from the federal government. What specific "funding reductions" at the federal level is EDC referencing? And why was EDC singled out by the federal government for a \$750,000 reduction in funds?

The Mayor indicated to me that all documents related to the Alston Project have been placed on the public record. But I cannot locate any information on the capitalization for the Alston Project, i.e. where the rest of EDC's financing is coming from. I believe the citizens of Waynesboro have a right to see that information before we give EDC our money. I would think that City staff met with EDC and that EDC presented them with additional information about their company, the project, the timeline, the financing, etc. Any such presentation should be included in the public record.

We know that part of the financing for the Alston Court project is coming from a loan of \$4,483,653.30 from the Commonwealth of Virginia. It's very important to understand that it is an Affordable and Special Needs Housing (ASNH) Loan. It is not a grant or donation. It is a Loan.

Subject to the execution of a reasonable performance agreement, would not object to our City loaning EDC \$500,000. It could even be a zero-interest loan with a relatively long-term payback period (e.g. five years).

If City Council does not change its decision and does authorize this \$500,000 donation to EDC, I intend to sue the City in Circuit Court to attempt to cancel this donation and to recoup any of the funds that have been disbursed. Therefore, I ask that the City, as well as EDC, preserve all documents, notes, emails, etc. pertaining to this project.

A handwritten signature in cursive script that reads "Mary McDermott". The signature is written in black ink and is positioned above a horizontal line.

Marv McDermott

Mary McDermott

621 Northgate Avenue
Waynesboro, VA 22980

540-649-1710