

# 2019 Federal Low Income Housing Tax Credit Program

## Application For Reservation

### **Deadline for Submission**

#### 9% Competitive Credits

Applications Must Be Received At VHDA No Later Than **2:00 PM** Richmond,  
VA Time On **March 14, 2019**

#### Tax Exempt Bonds

Applications should be received at VHDA at least one month before the  
bonds are *priced* (if bonds issued by VHDA), or 75 days before the bonds  
are *issued* (if bonds are not issued by VHDA)



Virginia Housing Development Authority  
601 South Belvidere Street  
Richmond, Virginia 23220-6500

## INSTRUCTIONS FOR THE VIRGINIA 2019 LIHTC APPLICATION FOR RESERVATION

This application was prepared using Excel, Microsoft Office 2016. Please note that using the active Excel workbook does not eliminate the need to submit the required PDF of the signed hardcopy of the application and related documentation. A more detailed explanation of application submission requirements is provided below and in the Application Manual.

**An electronic copy of your completed application is a mandatory submission item.**

### Applications For 9% Competitive Credits

Applicants should submit an electronic copy of the application package prior to the application deadline, which is **2:00 PM** Richmond Virginia time on **March 14, 2019**. Failure to submit an electronic copy of the application by the deadline will cause the application to be disqualified.

#### **Please Note:**

**Applicants should submit all application materials in electronic format only.**

**There should be distinct files which should include the following:**

1. **Application For Reservation – the active Microsoft Excel workbook**
2. **A PDF file which includes the following:**
  - **Application For Reservation – Signed version of hardcopy**
  - **All application attachments (i.e. tab documents, excluding market study and plans & specs)**
3. **Market Study – PDF or Microsoft Word format**
4. **Plans - PDF or other readable electronic format**
5. **Specifications - PDF or other readable electronic format (may be combined into the same file as the plans if necessary)**
6. **Unit-By-Unit work write up (rehab only) - PDF or other readable electronic format**

#### **IMPORTANT:**

**VHDA can accept files via our work center site Procorem or on flash/thumb drives. Contact Hope Rutter for access to Procorem.**

**Do not submit any application materials to any email address unless specifically requested by the VHDA LIHTC Allocation Department staff.**

#### Disclaimer:

VHDA assumes no responsibility for any problems incurred in using this spreadsheet or for the accuracy of calculations. Check your application for correctness and completeness before submitting the application to VHDA.

#### Entering Data:

Enter numbers or text as appropriate in the blank spaces highlighted in yellow. Cells have been formatted as appropriate for the data expected. All other cells are protected and will not allow changes.

#### **Please Note:**

- ▶ **VERY IMPORTANT! : Do not** use the copy/cut/paste functions within this document. Pasting fields will corrupt the application and may result in penalties. You may use links to other cells or other documents but do not paste data from one document or field to another.
- ▶ Some fields provide a dropdown of options to select from, indicated by a down arrow that appears when the cell is selected. Click on the arrow to select a value within the dropdown for these fields.
- ▶ The spreadsheet contains multiple error checks to assist in identifying potential mistakes in the application. These may appear as data is entered but are dependent on values entered later in the application. Do not be concerned with these messages until all data within the application has been entered.
- ▶ Also note that some cells contain error messages such as “#DIV/0!” as you begin. These warnings will disappear as the numbers necessary for the calculation are entered.

#### Assistance:

If you have any questions, please contact the VHDA LIHTC Allocation Department. Please note that we cannot release the copy protection password.

#### **VHDA LIHTC Allocation Staff Contact Information**

<b>Name</b>	<b>Email</b>	<b>Phone Number</b>
JD Bondurant	<a href="mailto:johndavid.bondurant@vhda.com">johndavid.bondurant@vhda.com</a>	(804) 343-5725
Hope Coleman Rutter	<a href="mailto:hope.rutter@vhda.com">hope.rutter@vhda.com</a>	(804) 343-5574
Sheila Stone	<a href="mailto:sheila.stone@vhda.com">sheila.stone@vhda.com</a>	(804) 343-5582
Stephanie Flanders	<a href="mailto:stephanie.flanders@vhda.com">stephanie.flanders@vhda.com</a>	(804) 343-5939
Pamela Freeth	<a href="mailto:pamela.freeth@vhda.com">pamela.freeth@vhda.com</a>	(804) 343-5563
Jovan Burton	<a href="mailto:Jovan.burton@vhda.com">Jovan.burton@vhda.com</a>	(804) 343-5518

## TABLE OF CONTENTS

Click on any tab label to be directed to that tab within the application.

TAB	DESCRIPTION
1. <a href="#">Submission Checklist</a>	Mandatory Items, Tabs and Descriptions
2. <a href="#">Development Information</a>	Development Name and Locality Information
3. <a href="#">Request Info</a>	Credit Request Type
4. <a href="#">Owner Information</a>	Owner Information and Developer Experience
5. <a href="#">Site and Seller Information</a>	Site Control, Identity of Interest and Seller info
6. <a href="#">Team Information</a>	Development Team Contact information
7. <a href="#">Rehabilitation Information</a>	Acquisition Credits and 10-Year Look Back Info
8. <a href="#">Non Profit</a>	Non Profit Involvement, Right of First Refusal
9. <a href="#">Structure</a>	Building Structure and Units Description
10. <a href="#">Utilities</a>	Utility Allowance
11. <a href="#">Enhancements</a>	Building Amenities above Minimum Design Requirements
12. <a href="#">Special Housing Needs</a>	504 Units, Sect. 8 Waiting List, Rental Subsidy
13. <a href="#">Unit Details</a>	Set Aside Selection and Breakdown
14. <a href="#">Budget</a>	Operating Expenses
15. <a href="#">Project Schedule</a>	Actual or Anticipated Development Schedule
16. <a href="#">Hard Costs</a>	Development Budget: Contractor Costs
17. <a href="#">Owner's Costs</a>	Development Budget: Owner's Costs, Developer Fee, Cost Limits
18. <a href="#">Eligible Basis</a>	Eligible Basis Calculation
19. <a href="#">Sources of Funds</a>	Construction, Permanent, Grants and Subsidized Funding Sources
20. <a href="#">Equity</a>	Equity and Syndication Information
	<a href="#">Gap Calculation</a>
21. <a href="#">Cash Flow</a>	Credit Reservation Amount Needed
22. <a href="#">BINs</a>	Cash Flow Calculation
24. <a href="#">Owner Statement</a>	BIN by BIN Eligible Basis
25. <a href="#">Scoresheet</a>	Owner Certifications
26. <a href="#">Development Summary</a>	Self Scoresheet Calculation
27. <a href="#">Efficient Use of Resources</a>	Summary of Key Application Points
28. <a href="#">Efficient Use of Resources - TE Bonds</a>	Calculation of Score

## 2019 Low-Income Housing Tax Credit Application For Reservation

Please indicate if the following items are included with your application by putting an 'X' in the appropriate boxes. Your assistance in organizing the submission in the following order, and actually using tabs to mark them as shown, will facilitate review of your application. Please note that all mandatory items must be included for the application to be processed. The inclusion of other items may increase the number of points for which you are eligible under VHDA's point system of ranking applications, and may assist VHDA in its determination of the appropriate amount of credits that may be reserved for the development.

- \$1,000 Application Fee **(MANDATORY)**
- Electronic Copy of the Microsoft Excel Based Application **(MANDATORY)**
- Scanned Copy of the **Signed** Tax Credit Application with Attachments (excluding market study and plans & specifications) **(MANDATORY)**
- Electronic Copy of the Market Study **(MANDATORY - Application will be disqualified if study is not submitted with application)**
- Electronic Copy of the Plans **(MANDATORY)**
- Electronic Copy of the Specifications **(MANDATORY)**
- Electronic Copy of the Physical Needs Assessment **(MANDATORY if rehab)**
- Electronic Copy of Appraisal **(MANDATORY if acquisition credits requested)**
- Electronic Copy of Environmental Site Assessment (Phase I) **(MANDATORY if 4% credits requested)**
- Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests **(MANDATORY)**
- Tab B: Virginia State Corporation Commission Certification **(MANDATORY)**
- Tab C: Principal's Previous Participation Certification **(MANDATORY)**
- Tab D: List of LIHTC Developments (Schedule A) **(MANDATORY)**
- Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment **(MANDATORY)**
- Tab F: Architect's Certification and RESNET Rater Certification **(MANDATORY)**
- Tab G: Zoning Certification Letter **(MANDATORY)**
- Tab H: Attorney's Opinion **(MANDATORY)**
- Tab I: Nonprofit Questionnaire **(MANDATORY for points or pool)**  
The following documents need not be submitted unless requested by VHDA:
  - Nonprofit Articles of Incorporation
  - IRS Documentation of Nonprofit Status
  - Joint Venture Agreement (if applicable)
  - For-profit Consulting Agreement (if applicable)
- Tab J: Relocation Plan **(MANDATORY, if tenants are displaced)**
- Tab K: Documentation of Development Location:
  - K.1 Revitalization Area Certification
  - K.2 Location Map
  - K.3 Surveyor's Certification of Proximity To Public Transportation
- Tab L: PHA / Section 8 Notification Letter
- Tab M: Locality CEO Response Letter
- Tab N: Homeownership Plan
- Tab O: Plan of Development Certification Letter
- Tab P: Developer Experience documentation and Partnership agreements
- Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property
- Tab R: Documentation of Operating Budget and Utility Allowances
- Tab S: Supportive Housing Certification
- Tab T: Funding Documentation
- Tab U: Documentation to Request Exception to Restriction-Pools With Little/No Increase in Rent Burdened Population
- Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal
- Tab W: (Reserved)
- Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504

2019 Low-Income Housing Tax Credit Application For Reservation

VHDA TRACKING NUMBER

2019 C-11

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/13/2019

- 1. Development Name: Spratley House
- 2. Address (line 1): 651 25th Street  
Address (line 2):   
City: Newport News State: VA Zip: 23607
- 3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate. Longitude: 00.00000 Latitude: 00.00000  
(Only necessary if street address or street intersections are not available.)
- 4. The Circuit Court Clerk's office in which the deed to the development is or will be recorded:  
City/County of Newport News City
- 5. The site overlaps one or more jurisdictional boundaries..... FALSE  
If true, what other City/County is the site located in besides response to #4?.....
- 6. Development is located in the census tract of: 517000304.00
- 7. Development is located in a **Qualified Census Tract**..... TRUE
- 8. Development is located in a **Difficult Development Area**..... FALSE
- 9. Development is located in a **Revitalization Area based on QCT** ..... FALSE
- 10. Development is located in a **Revitalization Area designated by resolution** ..... TRUE
- 11. Development is located in an **Opportunity Zone** (with a binding commitment for funding)..... FALSE  
(If 9, 10 or 11 are True, **Action:** Provide required form in **TAB K1**)

12. Development is located in a census tract with a poverty rate of.....	3%	10%	12%
	<u>FALSE</u>	<u>FALSE</u>	<u>FALSE</u>

Enter only Numeric Values below:

- 13. Congressional District: 3
- Planning District: 23
- State Senate District: 2
- State House District: 95

Click on the following link for assistance in determining the districts related to this development:

[Link to VHDA's HOME - Select Virginia LIHTC Reference Map](#)

- 14. **ACTION:** Provide Location Map (**TAB K2**)
- 15. Development Description: In the space provided below, give a brief description of the proposed development

The Newport News Redevelopment and Housing Authority proposes to convert an existing public housing property containing a total of 50 apartment units for seniors, to private ownership using HUD's RAD program, under a new ownership entity to be known as Spratley House LLC. The NNRHA will apply for financing, including LIHTC in order to comprehensively renovate the properties, and convert 5 units to conform to HUD's interpretation of the accessibility standards contained in Section 504 of the Rehabilitation Act of 1973. When the RAD transaction closes 100% of the units will be covered under a HAP contract. As is common with public housing, the expense to income ratio is so high that when trended with a 7% vacancy and 2%-3% income and expense increases, the cash flow drops very quickly. In reality the property has always operated at or near 100% occupancy and property

16. Local Needs and Support

- a. Provide the name and the address of the chief executive officer (City Manager, Town Manager, or County Administrator of the political jurisdiction in which the development will be located:

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/13/2019

Chief Executive Officer's Name: Ms. Cynthia D. Rohlf  
 Chief Executive Officer's Title: City Manager Phone:   
 Street Address: 400 Washington Avenue  
 City: Newport News State: VA Zip: 23607

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Florence Kingston, Director of Development

b. If the development overlaps another jurisdiction, please fill in the following:

Chief Executive Officer's Name:   
 Chief Executive Officer's Title: Phone:   
 Street Address:   
 City: State: Zip:

Name and title of local official you have discussed this project with who could answer questions for the local CEO:

**ACTION:** Provide Locality Notification Letter at **Tab M** if applicable.

**B. RESERVATION REQUEST INFORMATION**

1. **Requesting Credits From:**

- a. If requesting 9% Credits, select credit pool: Local Housing Authority Pool
- or
- b. If requesting Tax Exempt Bonds, select development type:

2. **Type(s) of Allocation/Allocation Year**

Carryforward Allocation

Definitions of types:

- a. Regular Allocation means all of the buildings in the development are expected to be placed in service this calendar year, 2019.
- b. Carryforward Allocation means all of the buildings in the development are expected to be placed in service within two years after the end of this calendar year, 2019, but the owner will have more than 10% basis in development before the end of twelve months following allocation of credits. For those buildings, the owner requests a carryforward allocation of 2019 credits pursuant to Section 42(h)(1)(E).

3. **Select Building Allocation type:**

Rehabilitation

**Note** regarding Type = Acquisition and Rehabilitation: Even if you acquired a building this year and "placed it in service" for the purpose of the acquisition credit, you cannot receive its acquisition 8609 form until the rehab 8609 is issued for that building.

4. Is this an additional allocation for a development that has buildings not yet placed in service? FALSE

5. **Planned Combined 9% and 4% Developments** FALSE

A site plan has been submitted with this application indicating two developments on the same or contiguous site. One development relates to this 9% allocation request and the remaining development will be a 4% tax exempt bond application. (25, 35 or 45 pts)

a. Has the developer met with VHDA regarding the 4% tax exempt bond deal? FALSE

b. List below the number of units planned for each allocation request. This stated count cannot be changed or 9% Credits will be cancelled.

Total Units within 9% allocation request?	0
Total Units within 4% Tax Exempt allocation Request?	0
Total Units:	0

% of units in 4% Tax Exempt Allocation Request: 0.00%

6. **Extended Use Restriction**

**Note:** Each recipient of an allocation of credits will be required to record an **Extended Use Agreement** as required by the IRC governing the use of the development for low-income housing for at least 30 years. Applicant waives the right to pursue a Qualified Contract.

**Must Select One:** 30

**Definition of selection:**

Development will be subject to the standard extended use agreement of 15 extended use period (after the mandatory 15-year compliance period.)

**C. OWNERSHIP INFORMATION**

NOTE: VHDA may allocate credits only to the tax-paying entity which owns the development at the time of the allocation. The term "Owner" herein refers to that entity. Please fill in the legal name of the owner. The ownership entity must be formed prior to submitting this application. Any transfer, direct or indirect, of partnership interests (except those involving the admission of limited partners) prior to the placed-in-service date of the proposed development shall be prohibited, unless the transfer is consented to by VHDA in its sole discretion. **IMPORTANT: The Owner name listed on this page must exactly match the owner name listed on the Virginia State Corporation Commission Certification.**

**1. Owner Information:**

*Must be an individual or legally formed entity.*

Owner Name: Spratley House LLC

Developer Name: Newport News Redevelopment and Housing Authority

Contact: M/M  Ms.  First: Karen MI: R Last: Wilds

Address: 227 27th Street

City: Newport News St.  VA  Zip: 23607

Phone: (757) 928-2663 Ext.  Fax: (757) 245-6535

Email address: kwilds@nnrha.org

Federal I.D. No. 32-0529362 (If not available, obtain prior to Carryover Allocation.)

Select type of entity:  Limited Liability Company Formation State:  VA

Additional Contact: Please Provide Name, Email and Phone number.  
Sandra Powell, spowell@nnrha.org, 7579282645

- ACTION:** a. Provide Owner's organizational documents (e.g. Partnership agreements) **(Mandatory TAB A)**  
 b. Provide Certification from Virginia State Corporation Commission **(Mandatory TAB B)**

**2. Principal(s) of the General Partner:** List names of individuals and ownership interest.

Names **	Phone	Type Ownership	% Ownership
<u>Spratley House Development Corporation</u>	<u>(757) 928-2663</u>	<u>Managing Member</u>	<u>100.000%</u>
<u>Newport News Redevelopment and Housing Auth</u>			<u>0.000%</u>
<u>Karen Wilds, Executive Director</u>			<u>0.000%</u>
			<u>0.000%</u>
			<u>0.000%</u>
			<u>0.000%</u>
			<u>0.000%</u>

*needs  
needs*

The above should include 100% of the GP or LLC member interest.

\*\* These should be the names of individuals who make up the General Partnership, not simply the names of entities which may comprise those components.

- ACTION:** a. Provide Principals' Previous Participation Certification **(Mandatory TAB C)**  
 b. Provide a chart of ownership structure (Org Chart) and a list of all LIHTC Developments within the last 15 years. **(Mandatory at TABS A/D)**



**C. OWNERSHIP INFORMATION**

---

**3. Developer Experience:** Provide evidence that the principal or principals of the controlling general partner or managing member for the proposed development have developed:

- a. as a controlling general partner or managing member, (i) at least three tax credit developments that contain at least three times the number of housing units in the proposed development or (ii) at least six tax credit developments. .... **TRUE**

**Action:** Must be included on VHDA Experienced LIHTC Developer List or provide copies of 8609s, partnership agreements and organizational charts **(Tab P)**

- b. at least three deals as principal and have at \$500,000 in liquid assets..... **FALSE**

**Action:** Must be included on the VHDA Experienced LIHTC Developer List or provide Audited Financial Statements and copies of 8609s **(Tab P)**

- c. The development's principal(s), as a group or individually, have developed as controlling general partner or managing member, at least one tax credit development that contains at least the same number of units of this proposed development (can include Market units). .... **FALSE**

**Action:** Must provide copies of 8609s and partnership agreements **(Tab P)**

D. SITE CONTROL

**NOTE:** Site control by the Owner identified herein is a mandatory precondition of review of this application. Documentary evidence in the form of either a deed, option, purchase contract or lease for a term longer than the period of time the property will be subject to occupancy restrictions must be included herewith. (For 9% Competitive Credits - An option or contract must extend beyond the application deadline by a minimum of four months.)

**Warning:** Site control by an entity other than the Owner, even if it is a closely related party, is not sufficient. Anticipated future transfers to the Owner are not sufficient. The Owner, as identified previously, must have site control at the time this Application is submitted.

**NOTE:** If the Owner receives a reservation of credits, the property must be titled in the name of or leased by (pursuant to a long-term lease) the Owner before the allocation of credits is made.

Contact VHDA before submitting this application if there are any questions about this requirement.

1. Type of Site Control by Owner:

Applicant controls site by (select one and provide documentation - **Mandatory TAB E**)

Select Type:  Option

Expiration Date: 12/31/2019

In the Option or Purchase contract - Any contract for the acquisition of a site with an existing residential property may not require an empty building as a condition of such contract, unless relocation assistance is provided to displaced households, if any, at such level required by VHDA. See QAP for further details.

FALSE ..... There is more than one site for development and more than one form of site control.

(If **True**, provide documentation for each site specifying number of existing buildings on the site (if any), type of control of each site, and applicable expiration date of stated site control. A site control document is required for each site (**Tab E**.)

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

a.  FALSE ..... Owner already controls site by either deed or long-term lease.

b.  TRUE ..... Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... 12/31/2019 .

c.  FALSE ..... There is more than one site for development and more than one expected date of acquisition by Owner.

(If c is **True**, provide documentation for each site specifying number of existing buildings on the site, if any, and expected date of acquisition of each site by Owner (**Tab E**.)

3. Seller Information:

Name: Newport News Redevelopment and Housing Authority

Address: 227 27th Street

City: Newport News St.: VA Zip: 23607

Contact Person: Karen Wilds Phone: (757) 928-2663

There is an identity of interest between the seller and the owner/applicant..... TRUE

**D. SITE CONTROL**

---

If above statement is **TRUE**, complete the following:

Principal(s) involved (e.g. general partners, controlling shareholders, etc.)

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Newport News Redevelopment and H	(75) 792-8266	Fee Simple	100.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%

## 2019 Low-Income Housing Tax Credit Application For Reservation

### E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team. Provide Contact and Firm Name.

1. Tax Attorney:	Becca Hartstein	This is a Related Entity.	FALSE
Firm Name:	Applegate & Thorne-Thomsen		
Address:	425 S. Financial Place, Suite 1900, Chicago, IL 60605		
Email:	bhartstein@att-law.com	Phone:	(312) 491-4416
2. Tax Accountant:	Mike Vicars	This is a Related Entity.	FALSE
Firm Name:	Dooley & Vicars		
Address:	21 S. Sheppard Street, Richmond, VA 23221		
Email:	mike@dvcpas.com	Phone:	(804) 355-2808
3. Consultant:		This is a Related Entity.	FALSE
Firm Name:		Role:	
Address:			
Email:		Phone:	
4. Management Entity:	Carl Williamson	This is a Related Entity.	TRUE
Firm Name:	Newport News Redevelopment and Housing Authority		
Address:	227 27th Street, Newport News VA 23607		
Email:	cwilliamson@nnrha.org	Phone:	(757) 928-2659
5. Contractor:	Martha Morris	This is a Related Entity.	FALSE
Firm Name:	OKJ Construction		
Address:	1643 Merrimack Trail, Suite C, Williamsburg, VA 23185		
Email:	marthaj105@aol.com	Phone:	(757) 875-0440
6. Architect:	Matt Burton	This is a Related Entity.	FALSE
Firm Name:	MGB		
Address:	109 Nat Turner Boulevard, Newport News VA 23606		
Email:	mburton@mathewgburton.com	Phone:	(757) 644-4462
7. Real Estate Attorney:	Aaron O'Toole	This is a Related Entity.	FALSE
Firm Name:	Klein Hornig		
Address:	1325 G Street NW, Suite 770, Washigton, DC 2005		
Email:	aotoole@kleinhornig.com	Phone:	(202) 842-0127
8. Mortgage Banker:		This is a Related Entity.	FALSE
Firm Name:			
Address:			
Email:		Phone:	
9. Other:		This is a Related Entity.	FALSE
Firm Name:		Role:	
Address:			
Email:		Phone:	

**F. REHAB INFORMATION**

**1. Acquisition Credit Information**

- a. Credits are being requested for existing buildings being acquired for development..... **FALSE**  
If no credits are being requested for existing buildings acquired for the development, skip this tab.
- b. This development has received a previous allocation of credits..... **FALSE**  
 If so, in what year did this development receive credits? .....
- c. The development is listed on the RD 515 Rehabilitation Priority List?..... **FALSE**
- d. This development is an existing RD or HUD S8/236 development..... **FALSE**  
**Action:** (If True, provide required form in **TAB Q**)

Note: If there is an identity of interest between the applicant and the seller in this proposal, and the applicant is seeking points in this category, then the applicant must either waive their rights to the developer's fee or other fees associated with acquisition, or obtain a waiver of this requirement from VHDA prior to application submission to receive these points.

- i. Applicant agrees to waive all rights to any developer's fee or other fees associated with acquisition..... **FALSE**
- ii. Applicant has obtained a waiver of this requirement from VHDA prior to the application submission deadline..... **FALSE**

**2. Ten-Year Rule For Acquisition Credits**

- a. All buildings satisfy the 10-year look-back rule of IRC Section 42 (d)(2)(B), including the 10% basis/ \$15,000 rehab costs (\$10,000 for Tax Exempt Bonds) per unit requirement..... **FALSE**
- b. All buildings qualify for an exception to the 10-year rule under IRC Section 42(d)(2)(D)(i),..... **FALSE**
  - i. Subsection (I)..... **FALSE**
  - ii. Subsection (II)..... **FALSE**
  - iii. Subsection (III)..... **FALSE**
  - iv. Subsection (IV)..... **FALSE**
  - v. Subsection (V)..... **FALSE**
- c. The 10-year rule in IRC Section 42 (d)(2)(B) for all buildings does not apply pursuant to IRC Section 42(d)(6)..... **FALSE**
- d. There are different circumstances for different buildings..... **FALSE**  
**Action:** (If True, provide an explanation for each building in Tab K)

**3. Rehabilitation Credit Information**

- a. Credits are being requested for rehabilitation expenditures..... **TRUE**

**F. REHAB INFORMATION**

---

**b. Minimum Expenditure Requirements**

- i. All buildings in the development satisfy the rehab costs per unit requirement of IRS Section 42(e)(3)(A)(ii)..... **TRUE**
- ii. All buildings in the development qualify for the IRC Section 42(e)(3)(B) exception to the 10% basis requirement (4% credit only)..... **FALSE**
- iii. All buildings in the development qualify for the IRC Section 42(f)(5)(B)(ii)(II) exception..... **FALSE**
- iv. There are different circumstances for different buildings..... **FALSE**  
**Action:** (If True, provide an explanation for each building in Tab K)

**4. Request For Exception**

- a. The proposed new construction development (including adaptive reuse and rehabilitation that creates additional rental space) is subject to an assessment of up to minus 20 points for being located in a pool identified by the Authority as a pool with little or no increase in rent burdened population..... **FALSE**
- b. Applicant seeks an exception to this restriction in accordance with one of the following provisions under 13VAC10-180-60:
  - i. Proposed development is specialized housing designed to meet special needs that cannot readily be addressed utilizing existing residential structures..... **FALSE**
  - ii. Proposed development is designed to serve as a replacement for housing being demolished through redevelopment..... **FALSE**
  - iii. Proposed development is housing that is an integral part of a neighborhood revitalization project sponsored by a local housing authority..... **FALSE**

**Action:** If any of 4(b) responses are true, provide documentation at Tab U.

G. NONPROFIT INVOLVEMENT

Applications for 9% Credits - Section must be completed in order to compete in the Non Profit tax credit pool.

All Applicants - Section must be completed to obtain points for nonprofit involvement.

1. Tax Credit Nonprofit Pool Applicants: To qualify for the nonprofit pool, an organization (described in IRC Section 501(c)(3) or 501(c)(4) and exempt from taxation under IRC Section 501(a)) should answer the following questions as TRUE:

- FALSE a. Be authorized to do business in Virginia.
FALSE b. Be substantially based or active in the community of the development.
FALSE c. Materially participate in the development and operation of the development throughout the compliance period...
FALSE d. Own, either directly or through a partnership or limited liability company, 100% of the general partnership or managing member interest.
FALSE e. Not be affiliated with or controlled by a for-profit organization.
FALSE f. Not have been formed for the principal purpose of competition in the Non Profit Pool.
FALSE g. Not have any staff member, officer or member of the board of directors materially participate, directly or indirectly, in the proposed development as a for profit entity.

2. All Applicants: To qualify for points under the ranking system, the nonprofit's involvement need not necessarily satisfy all of the requirements for participation in the nonprofit tax credit pool.

A. Nonprofit Involvement (All Applicants)

There is nonprofit involvement in this development..... FALSE (If false, go on to part III.)

Action: If there is nonprofit involvement, provide completed Non Profit Questionnaire (Mandatory TAB I).

B. Type of involvement:

Nonprofit meets eligibility requirement for points only, not pool..... FALSE

or

Nonprofit meets eligibility requirements for nonprofit pool and points..... FALSE

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: [Yellow box]

Name: [Yellow box] (Please fit NP name within available space)

Contact Person: [Yellow box]

Street Address: [Yellow box]

City: [Yellow box] State: [Yellow box] Zip: [Yellow box]

Phone: [Yellow box] Extension: [Yellow box] Contact Email: [Yellow box]

D. Percentage of Nonprofit Ownership (All nonprofit applicants):

Specify the nonprofit entity's percentage ownership of the general partnership interest: 0.0%

**G. NONPROFIT INVOLVEMENT**

---

**3. Nonprofit/Local Housing Authority Purchase Option/Right of First Refusal**

- A. TRUE After the mandatory 15-year compliance period, a qualified nonprofit or local housing authority will have the option to purchase or the right of first refusal to acquire the development for a price not to exceed the outstanding debt and exit taxes. Such debt must be limited to the original mortgage(s) unless any refinancing is approved by the nonprofit.

**Action:** Provide Option or Right of First Refusal in Recordable Form **(TAB V)**  
Provide Nonprofit Questionnaire (if applicable) **(TAB I)**

**Name of qualified nonprofit:** \_\_\_\_\_

**or indicate true if Local Housing Authority** TRUE  
**Name of Local Housing Authority** Newport News Redevelopment and Housing Authority

2. FALSE A qualified nonprofit or local housing authority submits a homeownership plan committing to sell the units in the development after the mandatory 15-year compliance period to tenants whose incomes shall not exceed the applicable income limit at the time of their initial occupancy.

**Action:** Provide Homeownership Plan **(TAB N)**



**H. STRUCTURE AND UNITS INFORMATION**

**1. General Information**

a. Total number of <b>all</b> units in development	50	bedrooms	58
Total number of <b>rental</b> units in development	50	bedrooms	58
Number of low-income rental units	50	bedrooms	58
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	0	bedrooms	0
Number of adaptive reuse units: .....	0	bedrooms	0
Number of rehab units:.....	50	bedrooms	58
c. If any, indicate number of planned exempt units (included in total of all units in development).....			0
d. Total Floor Area For The Entire Development.....			45,990.00 (Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....			0.00 (Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....			0.00
g. Total Usable Residential Heated Area.....			45,990.00 (Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be <b>New Rental Space</b> .....			0.00%
i. Exact area of site in acres .....	1.945		
j. Locality has approved a final site plan or plan of development..... If <b>True</b> , Provide required documentation ( <b>TAB O</b> ).			TRUE
k. Requirement as of 2016: Site must be properly zoned for proposed development. <b>ACTION:</b> Provide required zoning documentation ( <b>MANDATORY TAB G</b> )			
l. Development is eligible for Historic Rehab credits.....			FALSE

**Definition:**

The structure is historic, by virtue of being listed individually in the National Register of Historic Places, or due to its location in a registered historic district and certified by the Secretary of the Interior as being of historical significance to the district, and the rehabilitation will be completed in such a manner as to be eligible for historic rehabilitation tax credits.

**2. UNIT MIX**

a. Specify the **average size and number per unit type (as indicated in the Architect's Certification):**

*Note: Average sq foot should include the prorata of common space.*

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	857.68	SF	10	10
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0

**H. STRUCTURE AND UNITS INFORMATION**

Eff - Garden	0.00	SF	0	0
1BR Garden	857.68	SF	32	32
2BR Garden	1245.96	SF	8	8
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			50	50

Note: Please be sure to enter the values in the appropriate unit category. If not, errors will occur on the self scoresheet.

**3. Structures**

- a. Number of Buildings (containing rental units)..... 1
- b. Age of Structure:..... 22 years
- c. Number of stories:..... 5
- d. The development is a scattered site development..... FALSE
- e. Commercial Area Intended Use: \_\_\_\_\_
- f. Project consists primarily of : **(Only One Option Below Can Be True)**
  - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... FALSE
  - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... TRUE
  - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... FALSE
- g. Indicate **True** for all development's structural features that apply:
 

i. Row House/Townhouse	<u>FALSE</u>	v. Detached Single-family	<u>FALSE</u>
ii. Garden Apartments	<u>TRUE</u>	vi. Detached Two-family	<u>FALSE</u>
iii. Slab on Grade	<u>TRUE</u>	vii. Basement	<u>FALSE</u>
iv. Crawl space	<u>FALSE</u>		
- h. Development contains an elevator(s). TRUE  
 If true, # of Elevators. 1  
 Elevator Type (if known) \_\_\_\_\_
- i. Roof Type ▶ Flat
- j. Construction Type ▶ Steel
- k. Primary Exterior Finish ▶ Brick

**4. Site Amenities (indicate all proposed)**

- |                         |              |                        |              |
|-------------------------|--------------|------------------------|--------------|
| a. Business Center..... | <u>FALSE</u> | f. Limited Access..... | <u>TRUE</u>  |
| b. Covered Parking..... | <u>FALSE</u> | g. Playground.....     | <u>FALSE</u> |
| c. Exercise Room.....   | <u>FALSE</u> | h. Pool.....           | <u>FALSE</u> |

**H. STRUCTURE AND UNITS INFORMATION**

d. Gated access to Site.....	FALSE	i. Rental Office.....	TRUE
e. Laundry facilities.....	TRUE	j. Sports Activity Court..	FALSE
		k. Other:	
l. Describe Community Facilities:	laundry room, property management office, community room		
m. Number of Proposed Parking Spaces.....	53		
Parking is shared with another entity .....	FALSE		
n. Development located within 1/2 mile of an existing commuter rail, light rail or subway station or 1/4 mile from existing public bus stop. ....	TRUE		

If **True**, Provide required documentation (**TAB K3**).

**5. Plans and Specifications**

- a. Minimum submission requirements for all properties (new construction, rehabilitation and adaptive reuse):**
- i. A location map with development clearly defined.
  - ii. Sketch plan of the site showing overall dimensions of all building(s), major site elements (e.g., parking lots and location of existing utilities, and water, sewer, electric, gas in the streets adjacent to the site). Contour lines and elevations are not required.
  - iii. Sketch plans of all building(s) reflecting overall dimensions of:
    - a. Typical floor plan(s) showing apartment types and placement
    - b. Ground floor plan(s) showing common areas
    - c. Sketch floor plan(s) of typical dwelling unit(s)
    - d. Typical wall section(s) showing footing, foundation, wall and floor structure  
Notes must indicate basic materials in structure, floor and exterior finish.
- b.** The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.
- i. Phase I environmental assessment.
  - ii. Physical needs assessment for any rehab only development.

**NOTE:** All developments must meet VHDA's **Minimum Design and Construction Requirements**. By signing and submitting the Application for Reservation of LIHTC, the applicant certifies that the proposed project budget, plans & specifications and work write-ups incorporate all necessary elements to fulfill these requirements.

**6. Market Study Data:**

Obtain the following information from the **Market Study** conducted in connection with this tax credit application:

Project Wide Capture Rate - LIHTC Units	2.40%
Project Wide Capture Rate - Market Units	0.00%
Project Wide Capture Rate - All Units	2.40%
Project Wide Absorption Period (Months)	2

**J. ENHANCEMENTS**

Each development must meet the following baseline energy performance standard applicable to the development's construction category.

- a. **New Construction:** must meet all criteria for EPA EnergyStar certification.
- b. **Rehabilitation:** renovation must result in at least a 30% performance increase or score an 80 or lower on the HERS Index.
- c. **Adaptive Reuse:** must score a 95 or lower on the HERS Index.

Certification and HERS Index score must be verified by a third-party, independent, non-affiliated, certified RESNET home energy rater.

Indicate **True** for the following items that apply to the proposed development:

**ACTION:** Provide Architect Certification (**Mandatory**) and documents related to following items if applicable (**TAB F**)

**1. For any development, upon completion of construction/rehabilitation:**

- TRUE a. A community/meeting room with a minimum of 749 square feet is provided.
- 81.90% b. Percentage of brick or other similar low-maintenance material approved by the Authority covering the exterior walls. Community buildings are to be included in percentage calculations.
- FALSE c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).
- TRUE d. Each bathroom contains only of WaterSense labeled faucets, toilets and showerheads.
- TRUE e. Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
- TRUE f. Free WiFi access will be provided in community room for resident only usage.
- FALSE g. Each unit is provided free individual high speed internet access.
- or
- TRUE h. Each unit is provided free individual WiFi access.
- TRUE i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- or
- FALSE j. Full bath fans are equipped with a humidistat.
- FALSE k. Cooking surfaces are equipped with fire prevention features
- or
- TRUE l. Cooking surfaces are equipped with fire suppression features.
- FALSE m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
- FALSE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- TRUE o. All interior doors within units are solid core.
- TRUE p. At minimum, one USB charging port in each kitchen, living room and all bedrooms.
- TRUE q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- TRUE r. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.
- FALSE s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

**For all developments exclusively serving elderly tenants upon completion of construction/rehabilitation:**

J. ENHANCEMENTS

- TRUE a. All cooking ranges have front controls.
- TRUE b. Bathrooms have an independent or supplemental heat source.
- TRUE c. All entrance doors have two eye viewers, one at 42" inches and the other at standard height.

2. Green Certification

- a. Applicant agrees to meet the base line energy performance standard applicable to the development's construction category as listed above.

The applicant will also obtain one of the following:

- |                                |  |                                |  |
|--------------------------------|--|--------------------------------|--|
| <input type="checkbox"/> FALSE | Earthcraft Gold or higher certification        | <input type="checkbox"/> FALSE | National Green Building Standard (NGBS) certification of Silver or higher. |
| <input type="checkbox"/> FALSE | U.S. Green Building Council LEED certification | <input type="checkbox"/> FALSE | Enterprise Green Communities (EGC) Certification                           |

**Action:** If seeking any points associated Green certification, provide appropriate documentation at **TAB F**.

- b. Applicant will pursue one of the following certifications to be awarded points on a future development application. (Failure to reach this goal will not result in a penalty.)

- |                                |                                     |                                |                         |
|--------------------------------|-------------------------------------|--------------------------------|-------------------------|
| <input type="checkbox"/> FALSE | Zero Energy Ready Home Requirements | <input type="checkbox"/> FALSE | Passive House Standards |
|--------------------------------|-------------------------------------|--------------------------------|-------------------------|

3. Universal Design - Units Meeting Universal Design Standards (units must be shown on Plans)

- TRUE a. Architect of record certifies that units will be constructed to meet VHDA's Universal Design standards.
- 50 b. Number of Rental Units constructed to meet VHDA's Universal Design standards:  
 100% % of Total Rental Units

- 4.  FALSE Market-rate units' amenities are substantially equivalent to those of the low income units.

If not, please explain: all units are low-income

**2019 Low-Income Housing Tax Credit Application For Reservation**

**I. UTILITIES**

1. Describe the Heating/AC System: chiller/boiler system with individual heat pumps

2. Services Included:

Utilities	Type of Utility (Gas, Electric, Oil, etc.)	Utilities Paid by:	Enter Allowances by Bedroom Size				
			0-bdr	1-bdr	2-bdr	3-bdr	4-br
Heating	electric	Owner	0	0	0	0	0
Air Conditioning	electric	Owner	0	0	0	0	0
Cooking	electric	Owner	0	0	0	0	0
Lighting	electric	Owner	0	0	0	0	0
Hot Water	electric	Owner	0	0	0	0	0
Water	public	Owner	0	0	0	0	0
Sewer	public	Owner	0	0	0	0	0
Trash	public	Owner	0	0	0	0	0
Total utility allowance for costs paid by tenant			\$0	\$0	\$0	\$0	\$0

3. The following sources were used for Utility Allowance Calculation (Provide documentation **TAB R**).

- a. FALSE HUD
- b. FALSE Utility Company (Estimate)
- c. FALSE Utility Company (Actual Survey)
- d. TRUE Local PHA
- e. FALSE Other: \_\_\_\_\_

**Warning:** The VHDA housing choice voucher program utility schedule shown on VHDA.com should not be used unless directed to do so by the local housing authority.

**K. SPECIAL HOUSING NEEDS**

---

**NOTE:** Any Applicant commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.

1. **Accessibility:** Indicate **True** for the following point categories, as appropriate.

**Action:** Provide appropriate documentation (**Tab X**)

**TRUE**

a. Any development in which (i) the greater of 5 units or 10% of units will be assisted by HUD project-based vouchers (as evidenced by the submission of a letter satisfactory to the Authority from an authorized public housing authority (PHA) that the development meets all prerequisites for such assistance), or another form of documented and binding federal project-based rent subsidies in order to ensure occupancy by extremely low-income persons. Locality project based rental subsidy meets the definition of state project based rental subsidy;

(ii) will conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and be actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits.

(iii) above must include roll-in showers, roll under sinks and front control ranges, unless agreed to by the Authority prior to the applicant's submission of its application.

Documentation from source of assistance must be provided with the application.

**Note:** Subsidies may apply to any units, not only those built to satisfy Section 504.

(60 points)

**FALSE**

b. Any development in which the greater of 5 units or 10% of the units (i) have rents within HUD's Housing Choice Voucher ("HCV") payment standard; (ii) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and (iii) are actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits (30 points)

**FALSE**

c. Any development in which 5% of the units (i) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act and (ii) are actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of this application for credits. (15 points)

**For items a,b or c, all common space must also conform to HUD regulations interpreting the accessibility Rehabilitation Act.**

2. **Special Housing Needs/Leasing Preference:**

a. If not general population, select applicable special population:

**FALSE** Elderly (as defined by the United States Fair Housing Act.)

**FALSE** Persons with Disabilities (must meet the requirements of the Federal Americans with Disabilities Act) - Accessible Supportive Housing Pool only

**K. SPECIAL HOUSING NEEDS**

TRUE Supportive Housing (as described in the Tax Credit Manual)

**Action:** Provide Permanent Supportive Housing Certification (**Tab S**)

**Error- Check Unit Mix on Structure Tab for Elderly Units**

- b. The development has existing tenants and a relocation plan has been developed..... TRUE  
 (If **True**, VHDA policy requires that the impact of economic and/or physical displacement on those tenants be minimized, in which Owners agree to abide by the Authority's Relocation Guidelines for LIHTC properties.)

**Action:** Provide Relocation Plan (**Mandatory if tenants are displaced - Tab J**)

**3. Leasing Preferences**

- a. Will leasing preference be given to applicants on a public housing waiting list and/or Section 8 waiting list? select: \_\_\_\_\_

Organization which holds such waiting list: \_\_\_\_\_

Contact person: \_\_\_\_\_

Title: \_\_\_\_\_

Phone Number \_\_\_\_\_

**Action:** Provide required notification documentation (**TAB L**)

- b. Leasing preference will be given to individuals and families with children..... FALSE  
 (Less than or equal to 20% of the units must have of 1 or less bedrooms).

- c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 0  
 % of total Low Income Units 0%

**NOTE:** Development must utilize a **VHDA Certified Management Agent**. Proof of management certification must be provided before 8609s are issued.

**4. Rental Assistance**

- a. Some of the low-income units do or will receive rental assistance..... TRUE

- b. Indicate True if rental assistance will be available from the following

TRUE Rental Assistance Demonstration (RAD) or other PHA conversion to based rental assistance.

FALSE Section 8 New Construction Substantial Rehabilitation

FALSE Section 8 Moderate Rehabilitation

FALSE Section 8 Certificates

TRUE Section 8 Project Based Assistance



**K. SPECIAL HOUSING NEEDS**

---

- FALSE      RD 515 Rental Assistance
- FALSE      Section 8 Vouchers
- FALSE      State Assistance
- FALSE      Other: \_\_\_\_\_

c.      The above subsidies are applicable to the 30% units this development is seeking points for within the Set Aside Election listed on Unit Details:      FALSE

d.      Number of units receiving assistance:      50  
 How many years in rental assistance contract?      20.00  
 Expiration date of contract:      10/31/2040  
 There is an Option to Renew.....      TRUE

**Action:**      Contract or other agreement provided **(TAB Q)**.

**L. UNIT DETAILS**

**1. Set-Aside Election:**

**UNITS SELECTED IN INCOME AND RENT DETERMINE POINTS FOR THE BONUS POINT CATEGORY**

Note: In order to qualify for any tax credits, a development must meet one of two minimum threshold occupancy tests. Either (i) at least 20% of the units must be rent-restricted and occupied by persons whose incomes are 50% or less of the area median income adjusted for family size (this is called the 20/50 test) or (ii) at least 40% of the units must be rent-restricted and occupied by persons whose incomes are 60% or less of the area median income adjusted for family size (this is called the 40/60 test), all as described in Section 42 of the IRC. Rent-and income-restricted units are known as low-income units. If you have more low-income units than required, you qualify for more credits. If you serve lower incomes than required, you receive more points under the ranking system.

**a. Units Provided Per Household Type:**

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
25	50.00%	50% Area Median
25	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
50	100.00%	<b>Total</b>

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
5	10.00%	40% Area Median
20	40.00%	50% Area Median
25	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
50	100.00%	<b>Total</b>

**b. The development plans to utilize income averaging.....** **TRUE**

If above is true, should the points based on the units assigned to the levels above **be waived** and therefore not required for compliance?

20-30% Levels **FALSE** 40% Levels **FALSE** 50% levels **FALSE**

**2. Unit Detail**

**FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN UNIT MIX GRID**

In the following grid, add a row for each unique unit type planned within the development. Enter the appropriate data for both tax credit and market rate units.

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	Number of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	2 BR - 1 Bath	60% AMI	8		768.00	\$657.00	\$5,256
Mix 2	1 BR - 1 Bath	60% AMI	17		538.00	\$547.00	\$9,299
Mix 3	1 BR - 1 Bath	50% AMI	11		538.00	\$547.00	\$6,017
Mix 4	1 BR - 1 Bath	50% AMI	4		520.00	\$547.00	\$2,188
Mix 5	1 BR - 1 Bath	40% AMI	5	5	506.00	\$547.00	\$2,735
Mix 6	1 BR - 1 Bath	50% AMI	5		506.00	\$547.00	\$2,735
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0
Mix 16							\$0
Mix 17							\$0
Mix 18							\$0
Mix 19							\$0
Mix 20							\$0
Mix 21							\$0

2019 Low-Income Housing Tax Credit Application For Reservation

L. UNIT DETAILS

Mix 22								\$0
Mix 23								\$0
Mix 24								\$0
Mix 25								\$0
Mix 26								\$0
Mix 27								\$0
Mix 28								\$0
Mix 29								\$0
Mix 30								\$0
Mix 31								\$0
Mix 32								\$0
Mix 33								\$0
Mix 34								\$0
Mix 35								\$0
Mix 36								\$0
Mix 37								\$0
Mix 38								\$0
Mix 39								\$0
Mix 40								\$0
Mix 41								\$0
Mix 42								\$0
Mix 43								\$0
Mix 44								\$0
Mix 45								\$0
Mix 46								\$0
Mix 47								\$0
Mix 48								\$0
Mix 49								\$0
Mix 50								\$0
Mix 51								\$0
Mix 52								\$0
Mix 53								\$0
Mix 54								\$0
Mix 55								\$0
Mix 56								\$0
Mix 57								\$0
Mix 58								\$0
Mix 59								\$0
Mix 60								\$0
Mix 61								\$0
Mix 62								\$0
Mix 63								\$0
Mix 64								\$0
Mix 65								\$0
Mix 66								\$0
Mix 67								\$0
Mix 68								\$0
Mix 69								\$0
Mix 70								\$0
Mix 71								\$0
Mix 72								\$0
Mix 73								\$0
Mix 74								\$0
Mix 75								\$0
Mix 76								\$0
Mix 77								\$0
Mix 78								\$0
Mix 79								\$0

L. UNIT DETAILS

Mix 80							\$0
Mix 81							\$0
Mix 82							\$0
Mix 83							\$0
Mix 84							\$0
Mix 85							\$0
Mix 86							\$0
Mix 87							\$0
Mix 88							\$0
Mix 89							\$0
Mix 90							\$0
Mix 91							\$0
Mix 92							\$0
Mix 93							\$0
Mix 94							\$0
Mix 95							\$0
Mix 96							\$0
Mix 97							\$0
Mix 98							\$0
Mix 99							\$0
Mix 100							\$0
<b>TOTALS</b>			50	5	3,376.00	\$3,392	\$28,230

<b>Total Units</b>	<b>50</b>	<b>Net Rentable SF:</b>	<b>TC Units</b>	<b>28,348.00</b>
			<b>MKT Units</b>	<b>0.00</b>
			<b>Total NR SF:</b>	<b>28,348.00</b>

<b>Floor Space Fraction (to 7 decimals)</b>	<b>100.00000%</b>
---	-------------------

**2019 Low-Income Housing Tax Credit Application For Reservation**

**M. OPERATING EXPENSES**

**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$1,200
2. Office Salaries			\$15,000
3. Office Supplies			\$2,000
4. Office/Model Apartment	(type	<u>                    </u> )	\$0
5. Management Fee			\$22,240
	<u>7.06%</u> of EGI	<u>\$444.80</u> Per Unit	
6. Manager Salaries			\$22,500
7. Staff Unit (s)	(type	<u>                    </u> )	\$0
8. Legal			\$750
9. Auditing			\$7,500
10. Bookkeeping/Accounting Fees			\$1,500
11. Telephone & Answering Service			\$5,000
12. Tax Credit Monitoring Fee			\$1,750
13. Miscellaneous Administrative			\$4,000
<b>Total Administrative</b>			<b>\$83,440</b>

**Utilities**

14. Fuel Oil			\$0
15. Electricity			\$30,000
16. Water			\$5,000
17. Gas			\$3,500
18. Sewer			\$15,000
<b>Total Utility</b>			<b>\$53,500</b>

**Operating:**

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$2,000
21. Janitor/Cleaning Contract			\$4,000
22. Exterminating			\$4,000
23. Trash Removal			\$0
24. Security Payroll/Contract			\$7,000
25. Grounds Payroll			\$0
26. Grounds Supplies			\$700
27. Grounds Contract			\$6,000
28. Maintenance/Repairs Payroll			\$18,000
29. Repairs/Material			\$4,000
30. Repairs Contract			\$10,400
31. Elevator Maintenance/Contract			\$1,800
32. Heating/Cooling Repairs & Maintenance			\$1,200
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$0
35. Decorating/Payroll/Contract			\$1,000
36. Decorating Supplies			\$300
37. Miscellaneous			\$25,000
<b>Totals Operating &amp; Maintenance</b>			<b>\$85,400</b>

**Taxes & Insurance**

38. Real Estate Taxes			\$14,000
-----------------------	--	--	----------

**2019 Low-Income Housing Tax Credit Application For Reservation**

**M. OPERATING EXPENSES**

39. Payroll Taxes	\$0
40. Miscellaneous Taxes/Licenses/Permits	\$0
41. Property & Liability Insurance	\$6,000
42. Fidelity Bond	\$0
43. Workman's Compensation	\$1,500
44. Health Insurance & Employee Benefits	\$13,875
45. Other Insurance	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$35,375</b>
<b>Total Operating Expense</b>	<b>\$257,715</b>

<b>Total Operating Expenses Per Unit</b>	\$5,154	<b>C. Total Operating Expenses as % of EGI</b>	81.80%
--	---------	--	--------

<b>Replacement Reserves</b> (Total # Units X \$300 or \$250 New Const. Elderly Minimum)	\$15,000
---	----------

<b>Total Expenses</b>	<b>\$272,715</b>
-----------------------	------------------

**ACTION:** Provide Documentation of Operating Budget at **Tab R** if applicable.

2019 Low-Income Housing Tax Credit Application For Reservation

N. PROJECT SCHEDULE

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
<b>1. SITE</b>		
a. Option/Contract	Complete	Karen Wilds
b. Site Acquisition	12/31/2019	Karen Wilds
c. Zoning Approval	Complete	Karen Wilds
d. Site Plan Approval	Complete	Karen Wilds
<b>2. Financing</b>		
<b>a. Construction Loan</b>		
i. Loan Application	7/1/2019	Karen Wilds
ii. Conditional Commitment		
iii. Firm Commitment	10/31/2019	Karen Wilds
<b>b. Permanent Loan - First Lien</b>		
i. Loan Application	7/1/2019	Karen Wilds
ii. Conditional Commitment		
iii. Firm Commitment	10/31/2019	Karen Wilds
<b>c. Permanent Loan-Second Lien</b>		
i. Loan Application		
ii. Conditional Commitment		
iii. Firm Commitment		
<b>d. Other Loans &amp; Grants</b>		
i. Type & Source, List		
ii. Application		
iii. Award/Commitment		
<b>2. Formation of Owner</b>	Complete	Karen Wilds
<b>3. IRS Approval of Nonprofit Status</b>	N/A	Karen Wilds
<b>4. Closing and Transfer of Property to Owner</b>	12/31/2019	Karen Wilds
<b>5. Plans and Specifications, Working Drawings</b>	10/31/2019	Karen Wilds
<b>6. Building Permit Issued by Local Government</b>	12/31/2019	Karen Wilds
<b>7. Start Construction</b>	1/1/2020	Karen Wilds
<b>8. Begin Lease-up</b>	10/1/2020	Karen Wilds
<b>9. Complete Construction</b>	4/1/2021	Karen Wilds
<b>10. Complete Lease-Up</b>	6/1/2021	Karen Wilds
<b>11. Credit Placed in Service Date</b>	4/1/2021	Karen Wilds

2019 Low-Income Housing Tax Credit Application For Reservation

O. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

Complete cost column and basis column(s) as appropriate

Note: Attorney must opine, among other things, as to correctness of the inclusion of each cost item in eligible basis, type of credit and numerical calculations included in Project Budget.

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
<b>1. Contractor Cost</b>				
a. Unit Structures (New)	0	0	0	0
b. Unit Structures (Rehab)	3,400,000	0	0	3,400,000
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
e. Structured Parking Garage	0	0	0	0
<b>Total Structure</b>	3,400,000	0	0	3,400,000
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
h. Roads & Walks	150,000	0	0	0
i. Site Improvements	0	0	0	0
j. Lawns & Planting	25,000	0	0	0
k. Engineering	0	0	0	0
l. Off-Site Improvements	0	0	0	0
m. Site Environmental Mitigation	0	0	0	0
n. Demolition	0	0	0	0
o. Site Work	0	0	0	0
p. Other Site work	0	0	0	0
<b>Total Land Improvements</b>	175,000	0	0	0
<b>Total Structure and Land</b>	3,575,000	0	0	3,400,000
q. General Requirements	214,500	0	0	0
r. Builder's Overhead ( 2.0% Contract)	71,500	0	0	0
s. Builder's Profit ( 6.0% Contract)	214,500	0	0	0
t. Bonds	30,000	0	0	0
u. Building Permits	0	0	0	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1:	0	0	0	0
y. Other 2:	0	0	0	0
z. Other 3: appliances	75,000	0	0	0
<b>Contractor Costs</b>	\$4,180,500	\$0	\$0	\$3,400,000



**O. PROJECT BUDGET - OWNER COSTS**

**MUST USE WHOLE NUMBERS ONLY!**

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
<b>2. Owner Costs</b>				
a. Building Permit	0	0	0	0
b. Architecture/Engineering Design Fee \$4,400 /Unit)	220,000	0	0	220,000
c. Architecture Supervision Fee \$0 /Unit)	0	0	0	0
d. Tap Fees	0	0	0	0
e. Environmental	15,000	0	0	0
f. Soil Borings	0	0	0	0
g. EarthCraft/LEED	16,000	0	0	16,000
h. Appraisal	12,000	0	0	12,000
i. Market Study	8,000	0	0	8,000
j. Site Engineering / Survey	22,000	0	0	22,000
k. Construction/Development Mgt	25,000	0	0	0
l. Structural/Mechanical Study	10,000	0	0	10,000
m. Construction Loan Origination Fee	30,000	0	0	30,000
n. Construction Interest ( 5.0% for 18 months)	180,000	0	0	0
o. Taxes During Construction	22,000	0	0	22,000
p. Insurance During Construction	40,000	0	0	40,000
q. Permanent Loan Fee ( 0.0% )	10,000	0	0	0
r. Other Permanent Loan Fees	0	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	15,000	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	37,000	0	0	0
w. Legal Fees for Closing	140,000	0	0	20,000
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	31,870			
z. Tenant Relocation	198,231	0	0	0
aa. Fixtures, Furnitures and Equipment	0	0	0	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	175,000	0	0	0
ad. Contingency	410,000	0	0	0
ae. Security	0	0	0	0
af. Utilities	0	0	0	0
(1) Other* specify:	0	0	0	0
(2) Other* specify:	0	0	0	0
(3) Other* specify:	0	0	0	0
(4) Other* specify:	0	0	0	0
(5) Other * specify:	0	0	0	0
(6) Other* specify:	0	0	0	0

**O. PROJECT BUDGET - OWNER COSTS**

(7) Other* specify:	0	0	0	0
(8) Other* specify:	0	0	0	0
(9) Other* specify:	0	0	0	0
(10) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$1,617,101	\$0	\$0	\$400,000
<b>Subtotal 1 + 2</b> (Owner + Contractor Costs)	\$5,797,601	\$0	\$0	\$3,800,000
<b>3. Developer's Fees</b>	700,000	0	0	350,000
<b>4. Owner's Acquisition Costs</b>				
Land	0			
Existing Improvements	0	0		
Subtotal 4:	\$0	\$0		
<b>5. Total Development Costs</b>				
Subtotal 1+2+3+4:	\$6,497,601	\$0	\$0	\$4,150,000

If this application seeks rehab credits only, in which there is no acquisition and **no change in ownership**, enter the greater of appraised value or tax assessment value here:

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

**Maximum Developer Fee:**

**\$725,712**

Proposed Development's Cost per Unit:  
per Sq Foot  
Applicable Cost Limit per unit:

\$129,952 **Meets Limits**  
\$141 **Meets Limits**  
\$199,972

2019 Low-Income Housing Tax Credit Application For Reservation

P. ELIGIBLE BASIS CALCULATION

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		(B) Acquisition	(C) Rehab/ New Construction	(D) "70 % Present Value Credit"
1. Total Development Costs	6,497,601	0	0	4,150,000

2. Reductions in Eligible Basis

a. Amount of federal grant(s) used to finance qualifying development costs	0	0	0
b. Amount of nonqualified, nonrecourse financing	0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)	0	0	0
d. Historic Tax Credit (residential portion)	0	0	0

3. Total Eligible Basis (1 - 2 above)

0	0	4,150,000
---	---	-----------

4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)

a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>	0	1,245,000
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	0
c. For Green Certification (Eligible Basis x 10%)		0

Total Adjusted Eligible basis

0	5,395,000
---	-----------

5. Applicable Fraction

100.00000%	100.00000%	100.00000%
------------	------------	------------

6. Total Qualified Basis

(Eligible Basis x Applicable Fraction)

0	0	5,395,000
---	---	-----------

7. Applicable Percentage

(Beginning with 2016 Allocations, use the standard 9% rate.)  
(For tax exempt bonds, use the most recently published rates.)

0.00%	0.00%	9.00%
-------	-------	-------

8. Maximum Allowable Credit under IRC §42

(Qualified Basis x Applicable Percentage)

(Must be same as BIN total and equal to or less than credit amount allowed)

\$0	\$0	\$485,550
-----	-----	-----------

\$485,550	Combined 30% & 70% P. V. Credit
-----------	---------------------------------

**Q. SOURCES OF FUNDS**

**Action:** Provide Documentation for all Funding Sources at **Tab T**

**1. Construction Financing:** List individually the sources of construction financing, including any such loans financed through grant sources:

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1.	TBD				
2.					
3.					
Total Construction Funding:				\$0	

**2. Permanent Financing:** List individually the sources of all permanent financing in order of lien position:

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1.	VHDA SPARC			\$700,000	\$25,132	0.50%	30.00	30.00
2.	DHCD National Trust Fund			\$700,000	\$3,500	0.50%	0.00	20.00
3.	Sponsor Loan (NNRHA Resources)			\$1,305,000		0.00%	0.00	30.00
4.								
5.								
6.								
7.								
8.								
9.								
10.								
Total Permanent Funding:				\$2,705,000	\$28,632			

**3. Grants:** List all grants provided for the development:

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1.					
2.					
3.					
4.					
5.					
6.					
Total Permanent Grants:				\$0	

**4. Subsidized Funding**

	Source of Funds	Date of Commitment	Amount of Funds
1.	Sponsor Loan (NNRHA Resources)		\$1,305,000

**Q. SOURCES OF FUNDS**

2.			
3.			
4.			
5.			
Total Subsidized Funding			\$1,305,000

**5. Recap of Federal, State, and Local Funds**

Portions of the sources of funds described above for the development are financed directly or indirectly with Federal, State, or Local Government Funds..... **TRUE**

If above is **True**, then list the amount of money involved by all appropriate types.

Below-Market Loans

a.	Tax Exempt Bonds		\$0
b.	RD 515		\$0
c.	Section 221(d)(3)		\$0
d.	Section 312		\$0
e.	Section 236		\$0
f.	VHDA SPARC/REACH		\$500,000
g.	HOME Funds		\$0
h.	Other:	National Housing	\$700,000
i.	Other:	Local Funds	\$1,305,000

Market-Rate Loans

a.	Taxable Bonds		\$0
b.	Section 220		\$0
c.	Section 221(d)(3)		\$0
d.	Section 221(d)(4)		\$0
e.	Section 236		\$0
f.	Section 223(f)		\$0
g.	Other:		\$0

Grants\*

a.	CDBG		\$0
b.	UDAG		\$0

Grants

c.	State		
d.	Local		
e.	Other:		

\*This means grants to the partnership. If you received a loan financed by a locality which received one of the listed grants, please list it in the appropriate loan column as "other" and describe the applicable grant program which funded it.

**6. For Transactions Using Tax-Exempt Bonds Seeking 4% Credits:**

For purposes of the 50% Test, and based only on the data entered to this application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: **N/A**

7. Some of the development's financing has credit enhancements..... **FALSE**

If **True**, list which financing and describe the credit enhancement:

--

**8. Other Subsidies**

**Action:** Provide documentation (**Tab Q**)

a. **TRUE** Real Estate Tax Abatement on the increase in the value of the development.

b. **TRUE** **New** project based subsidy from HUD or Rural Development for the greater of 5



**2019 Low-Income Housing Tax Credit Application For Reservation**

**R. EQUITY**

**1. Equity**

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit				
Amount of Federal historic credits	\$0	x Equity \$	\$0.000	= \$0
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000	= \$0
b. Equity that Sponsor will Fund:				
i. Cash Investment	\$0			
ii. Contributed Land/Building	\$0			
iii. Deferred Developer Fee	\$0			(Note: Deferred Developer Fee cannot be negative.)
iv. Other:	\$0			
<b>Equity Total</b>	<b>\$0</b>			

**2. Equity Gap Calculation**

a. Total Development Cost	\$6,497,601		
b. Total of Permanent Funding, Grants and Equity	\$2,705,000	-	
c. Equity Gap	\$3,792,601		
d. Developer Equity	\$379	-	
e. Equity gap to be funded with low-income tax credit proceeds	\$3,792,222		

**3. Syndication Information (If Applicable)**

a. Actual or Anticipated Name of Syndicator:	VCDC		
Contact Person:	Jeffrey Michael Meyer	Phone:	804 543 2208
Street Address:	1840 W Broad Street, Suite 200		
City:	Richmond	▶ State:	VA
		Zip:	23220
b. Syndication Equity			
i. Anticipated Annual Credits		\$441,000.00	
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)		\$0.860	
iii. Percent of ownership entity (e.g., 99% or 99.9%)		99.99000%	
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)		\$0	
v. Net credit amount anticipated by user of credits		\$440,956	
vi. Total to be paid by anticipated users of credit (e.g., limited partners)		\$3,792,222	
c. Syndication:	Select?		
d. Investors:	Select?		

**4. Net Syndication Amount**

Which will be used to pay for Total Development Costs \$3,792,222

**5. Net Equity Factor**

Must be equal to or greater than 85% 86.0000285743%

**S. DETERMINATION OF RESERVATION AMOUNT NEEDED**

The following calculation of the amount of credits needed is substantially the same as the calculation which will be made by VHDA to determine, as required by the IRC, the amount of credits which may be allocated for the development. However, VHDA at all times retains the right to substitute such information and assumptions as are determined by VHDA to be reasonable for the information and assumptions provided herein as to costs (including development fees, profits, etc.), sources for funding, expected equity, etc. Accordingly, if the development is selected by VHDA for a reservation of credits, the amount of such reservation may differ significantly from the amount you compute below.

1. Total Development Costs		<u>\$6,497,601</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$2,705,000</u>
3. Equals Equity Gap		<u>\$3,792,601</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>86.0000285743%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$4,410,000</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$441,000</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$485,550</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$441,000</u>
Credit per LI Units	<u>\$8,820.0000</u>	
Credit per LI Bedroom	<u>\$7,603.4483</u>	
	<b>Combined 30% &amp; 70% PV Credit Requested</b>	<b>\$441,000</b>

9. **Action:** Provide Attorney's Opinion (**Mandatory Tab H**)



**T. CASH FLOW**

**1. Revenue**

Indicate the estimated monthly income for the **Low-Income Units** (based on Unit Details tab):

Total Monthly Rental Income for LIHTC Units		\$28,230
Plus Other Income Source (list):		\$0
Equals Total Monthly Income:		\$28,230
Twelve Months		x12
Equals Annual Gross Potential Income		\$338,760
Less Vacancy Allowance	7.0%	\$23,713
<b>Equals Annual Effective Gross Income (EGI) - Low Income Units</b>		<b>\$315,047</b>

**2. Indicate the estimated monthly income for the Market Rate Units** (based on Unit Details tab):

Total Monthly Income for Market Rate Units:		\$0
Plus Other Income Source (list):		\$0
Equals Total Monthly Income:		\$0
Twelve Months		x12
Equals Annual Gross Potential Income		\$0
Less Vacancy Allowance	0.0%	\$0
<b>Equals Annual Effective Gross Income (EGI) - Market Rate Units</b>		<b>\$0</b>

**Action:** Provide documentation in support of Operating Budget (**TAB R**)

**3. Cash Flow (First Year)**

a. Annual EGI Low-Income Units	\$315,047
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$315,047
d. Total Expenses	\$272,715
e. Net Operating Income	\$42,332
f. Total Annual Debt Service	\$28,632
g. Cash Flow Available for Distribution	\$13,700

**4. Projections for Financial Feasibility - 15 Year Projections of Cash Flow**

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
<b>Eff. Gross Income</b>	315,047	321,348	327,775	334,330	341,017
<b>Less Oper. Expenses</b>	272,715	280,896	289,323	298,003	306,943
<b>Net Income</b>	42,332	40,451	38,451	36,327	34,074
<b>Less Debt Service</b>	28,632	28,632	28,632	28,632	28,632
<b>Cash Flow</b>	13,700	11,819	9,819	7,695	5,442
<b>Debt Coverage Ratio</b>	1.48	1.41	1.34	1.27	1.19

	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Eff. Gross Income</b>	347,837	354,794	361,890	369,128	376,510
<b>Less Oper. Expenses</b>	316,151	325,636	335,405	345,467	355,831

T. CASH FLOW

<b>Net Income</b>	31,686	29,158	26,485	23,660	20,679
<b>Less Debt Service</b>	28,632	28,632	28,632	28,632	28,632
<b>Cash Flow</b>	3,054	526	-2,147	-4,972	-7,953
<b>Debt Coverage Ratio</b>	1.11	1.02	0.93	0.83	0.72

	<b>Year 11</b>	<b>Year 12</b>	<b>Year 13</b>	<b>Year 14</b>	<b>Year 15</b>
<b>Eff. Gross Income</b>	384,040	391,721	399,556	407,547	415,698
<b>Less Oper. Expenses</b>	366,506	377,501	388,826	400,491	412,506
<b>Net Income</b>	17,534	14,220	10,729	7,055	3,192
<b>Less Debt Service</b>	28,632	28,632	28,632	28,632	28,632
<b>Cash Flow</b>	-11,098	-14,412	-17,903	-21,577	-25,440
<b>Debt Coverage Ratio</b>	0.61	0.50	0.37	0.25	0.11

Estimated Annual Percentage Increase in Revenue 2.00% (Must be < 2%)  
 Estimated Annual Percentage Increase in Expenses 3.00% (Must be >= 3%)

U. Building-by-Building Information

Must Complete

Qualified basis must be determined on a building-by building basis. Complete the section below. Building street addresses are required by the IRS (must have them by the time of allocation request).

Number of BINS: 1

FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN BUILDING GRID

Bldg #	BIN if known	NUMBER OF		Street Address				30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit				
		TAX CREDIT UNITS	MARKET RATE UNITS	Street Address 1	Street Address 2	City	State	Zip	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
1.		50		651 25th Street		Newport News	VA	23607				\$0				\$0	\$5,395,000	04/01/21	9.00%	\$485,550
2.												\$0				\$0				\$0
3.												\$0				\$0				\$0
4.												\$0				\$0				\$0
5.												\$0				\$0				\$0
6.												\$0				\$0				\$0
7.												\$0				\$0				\$0
8.												\$0				\$0				\$0
9.												\$0				\$0				\$0
10.												\$0				\$0				\$0
11.												\$0				\$0				\$0
12.												\$0				\$0				\$0
13.												\$0				\$0				\$0
14.												\$0				\$0				\$0
15.												\$0				\$0				\$0
16.												\$0				\$0				\$0
17.												\$0				\$0				\$0
18.												\$0				\$0				\$0
19.												\$0				\$0				\$0
20.												\$0				\$0				\$0
21.												\$0				\$0				\$0
22.												\$0				\$0				\$0
23.												\$0				\$0				\$0
24.												\$0				\$0				\$0
25.												\$0				\$0				\$0
26.												\$0				\$0				\$0
27.												\$0				\$0				\$0
28.												\$0				\$0				\$0
29.												\$0				\$0				\$0
30.												\$0				\$0				\$0
31.												\$0				\$0				\$0
32.												\$0				\$0				\$0
33.												\$0				\$0				\$0
34.												\$0				\$0				\$0
35.												\$0				\$0				\$0

50 0

Totals from all buildings

\$0

\$0

\$5,395,000

\$485,550

Credit Amount should equal Gap Calculation Request.

Number of BINS: 1

**V. STATEMENT OF OWNER**

---

The undersigned hereby acknowledges the following:

1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.
2. that it will at all times indemnify and hold harmless VHDA and its assigns against all losses, costs, damages, VHDA's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to VHDA's acceptance, consideration, approval, or disapproval of this reservation request and the issuance or nonissuance of an allocation of credits, grants and/or loan funds in connection herewith.
3. that points will be assigned only for representations made herein for which satisfactory documentation is submitted herewith and that no revised representations may be made in connection with this application once the deadline for applications has passed.
4. that this application form, provided by VHDA to applicants for tax credits, including all sections herein relative to basis, credit calculations, and determination of the amount of the credit necessary to make the development financially feasible, is provided only for the convenience of VHDA in reviewing reservation requests; that completion hereof in no way guarantees eligibility for the credits or ensures that the amount of credits applied for has been computed in accordance with IRC requirements; and that any notations herein describing IRC requirements are offered only as general guides and not as legal authority.
5. that the undersigned is responsible for ensuring that the proposed development will be comprised of qualified low-income buildings and that it will in all respects satisfy all applicable requirements of federal tax law and any other requirements imposed upon it by VHDA prior to allocation, should one be issued.
6. that the undersigned commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.
7. that, for the purposes of reviewing this application, VHDA is entitled to rely upon representations of the undersigned as to the inclusion of costs in eligible basis and as to all of the figures and calculations relative to the determination of qualified basis for the development as a whole and/or each building therein individually as well as the amounts and types of credit applicable thereof, but that the issuance of a reservation based on such representation in no way warrants their correctness or compliance with IRC requirements.
8. that VHDA may request or require changes in the information submitted herewith, may substitute its own figures which it deems reasonable for any or all figures provided herein by the undersigned and may reserve credits, if any, in an amount significantly different from the amount requested.
9. that reservations of credits are not transferable without prior written approval by VHDA at its sole discretion.

**2019 Low-Income Housing Tax Credit Application For Reservation**

---

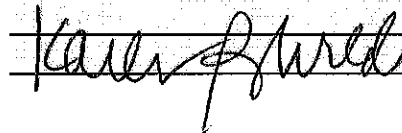
**V. STATEMENT OF OWNER**

---

10. that the requirements for applying for the credits and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or VHDA regulations, or other binding authority.
11. that reservations may be made subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of a nonrefundable application fee of \$1000 and a nonrefundable reservation fee equal to 7% of the annual credit amount reserved.
12. that a true, exact, and complete copy of this application, including all the supporting documentation enclosed herewith, has been provided to the tax attorney who has provided the required attorney's opinion accompanying this submission.
13. that the undersigned has provided a complete list of all residential real estate developments in which the general partner(s) has (have) or had a controlling ownership interest and, in the case of those projects allocated credits under Section 42 of the IRC, complete information on the status of compliance with Section 42 and an explanation of any noncompliance. The undersigned hereby authorizes the Housing Credit Agencies of states in which these projects are located to share compliance information with the Authority.
14. that any principal of undersigned has not participated in a planned foreclosure or Qualified Contract request in Virginia after January 1, 2019.
15. that undersigned waives the right to pursue a Qualified Contract on this development.
16. that the information in this application may be disseminated to others for purposes of verification or other purposes consistent with the Virginia Freedom of Information Act. However, all information will be maintained, used or disseminated in accordance with the Government Data Collection and Dissemination Practices Act. The undersigned may refuse to supply the information requested, however, such refusal will result in VHDA's inability to process the application. The original or copy of this application may be retained by VHDA, even if tax credits are not allocated to the undersigned.

In Witness Whereof, the undersigned, being authorized, has caused this document to be executed in its name on the date of this application set forth in DEV Info tab hereof.

Legal Name of Owner Spratley House, LLC



By:

Its: President, Spratley House Development Corpor  
(Title)

W.

**LIHTC SELF SCORE SHEET**

**Self Scoring Process**

This Self Scoring Process is intended to provide you with an estimate of your application's score based on the information included within the reservation application. Other items, denoted below in the yellow shaded cells, are typically evaluated by VHDA's staff during the application review and feasibility process. For purposes of self scoring, we have made certain assumptions about your application. Edit the appropriate responses (Y or N) in the yellow shaded cells, if applicable. Item 5f requires a numeric value to be entered.

Please remember that this score is only an estimate. VHDA reserves the right to change application data and/or score sheet responses where appropriate, which may change the final score.

**MANDATORY ITEMS:**

- a. Signed, completed application with attached tabs in PDF format
- b. Active Excel copy of application
- c. Partnership agreement
- d. SCC Certification
- e. Previous participation form
- f. Site control document
- g. Architect's Certification
- h. Attorney's opinion
- i. Nonprofit questionnaire (if applicable)
- j. Appraisal
- k. Zoning document
- l. Universal Design Plans
- m. List of LIHTC Developments (Schedule A)

**Included**

Y
Y
Y
Y
Y
Y
Y
Y
Y
Y
Y
Y
Y
Y
Y
Y
Y
Y
Y

- Y or N
- Y or N
- Y or N
- Y or N
- Y or N
- Y or N
- Y or N
- Y or N
- Y or N
- Y, N, N/A
- Y or N
- Y or N
- Y or N
- Y or N
- Y or N
- Y or N
- Y or N
- Y or N

<b>Score</b>
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0.00

Total:

**1. READINESS:**

- a. VHDA notification letter to CEO (via Locality Notification Information Application)
- b. Local CEO Opposition Letter
- c. Plan of development
- d. Location in a revitalization area based on Qualified Census Tract
- e. Location in a revitalization area with resolution
- f. Location in a Opportunity Zone

Y
N
N
N
Y
N

- 0 or -50
- 0 or -25
- 0 or 40
- 0 or 10
- 0 or 15
- 0 or 15

0.00
0.00
0.00
0.00
15.00
0.00
0.00

Total:

15.00

**2. HOUSING NEEDS CHARACTERISTICS:**

- a. Sec 8 or PHA waiting list preference
- b. Existing RD, HUD Section 8 or 236 program
- c. Subsidized funding commitments
- d. Tax abatement on increase of property's value
- e. New project based rental subsidy (HUD or RD)
- f. Census tract with <12% poverty rate
- g. Development listed on the Rural Development Rehab Priority List
- h. Dev. located in area with little or no increase in rent burdened population
- i. Dev. located in area with increasing rent burdened population

N
N
20.08%
Y
Y
0%
N
N
N

- 0 or up to 5
- 0 or 20
- Up to 40
- 0 or 5
- 0 or 10
- 0, 20, 25 or 30
- 0 or 15
- Up to -20
- Up to 20

0.00
0.00
40.00
5.00
10.00
0.00
0.00
0.00
0.00

Total:

55.00

**3. DEVELOPMENT CHARACTERISTICS:**

- a. Amenities (See calculations below)
- b. Project subsidies/HUD 504 accessibility for 5 or 10% of units
- or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units
- or d. HUD 504 accessibility for 5% of units

Y
N
N

- 0 or 60
- 0 or 30
- 0 or 15

58.23
60.00
0.00
0.00

**2019 Low-Income Housing Tax Credit Application For Reservation**

e. Proximity to public transportation (within Northern VA or Tidewater)	Y10	0, 10 or 20	10.00
f. Development will be Green Certified	N	0 or 10	0.00
g. Units constructed to meet VHDA's Universal Design standards	100%	Up to 15	15.00
h. Developments with less than 100 units	Y	up to 20	20.00
i. Historic Structure	N	0 or 5	0.00
<b>Total:</b>			<b>163.23</b>

**4. TENANT POPULATION CHARACTERISTICS:**

Locality AMI	State AMI
\$75,000	\$55,900

a. Less than or equal to 20% of units having 1 or less bedrooms	N	0 or 15	0.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	0.00%	Up to 15	0.00
c. Units with rent at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	10.00%	Up to 10	10.00
e. Units with rent and income at or below 50% of AMI	50.00%	Up to 50	50.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	50.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
<b>Total:</b>			<b>60.00</b>

**5. SPONSOR CHARACTERISTICS:**

a. Developer experience - 3 developments with 3 x units or 6 developments with 1 x units	Y	0 or 50	50.00
or b. Developer experience - 3 developments and at least 500,000 in liquid assets	N	0 or 50	0.00
or c. Developer experience - 1 development with 1 x units	N	0 or 10	0.00
d. Developer experience - life threatening hazard	N	0 or -50	0.00
e. Developer experience - noncompliance	N	0 or -15	0.00
f. Developer experience - did not build as represented	0	0 or -2x	0.00
g. Developer experience - failure to provide minimum building requirements	N	0 or -20	0.00
h. Developer experience - termination of credits by VHDA	N	0 or -10	0.00
i. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
j. Management company rated unsatisfactory	N	0 or -25	0.00
<b>Total:</b>			<b>50.00</b>

**6. EFFICIENT USE OF RESOURCES:**

a. Credit per unit		Up to 200	69.99
b. Cost per unit		Up to 100	33.47
<b>Total:</b>			<b>103.46</b>

**7. BONUS POINTS:**

a. Extended compliance	0 Years	40 or 50	0.00
or b. Nonprofit or LHA purchase option	Y	0 or 60	60.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	Up to 45	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	Y	0 or 10	10.00
<b>Total:</b>			<b>70.00</b>

425 Point Threshold - all 9% Tax Credits  
 325 Point Threshold - Tax Exempt Bonds

**TOTAL SCORE: 516.69**

**Amenities:**

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	25	24.23
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	3.00
e. Infrastructure for high speed internet/broadband	1	1.00
f. Free WiFi Access in community room	4	4.00

**2019 Low-Income Housing Tax Credit Application For Reservation**

---

g. Each unit provided free individual high speed internet access	6	0.00
h. Each unit provided free individual WiFi	8	8.00
i. Bath Fan - Delayed timer or continuous exhaust	3	3.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	0.00
l. Cooking surfaces equipped with fire suppression features	2	2.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	0.00
o. All interior doors within units are solid core	3	3.00
p. USB in kitchen, living room and all bedrooms	1	1.00
q. LED Kitchen Light Fixtures	2	2.00
r. Shelf or Ledge at entrance within interior hallway	2	2.00
s. New Construction: Balcony or patio	4	0.00
		<u>58.23</u>
All elderly units have:		
t. Front-control ranges	1	0.00
u. Independent/suppl. heat source	1	0.00
v. Two eye viewers	1	0.00
		<u>0.00</u>
<b>Total amenities:</b>		<b><u>58.23</u></b>



X. Development Summary

Summary Information

2019 Low-Income Housing Tax Credit Application For Reservation

<b>Deal Name:</b>	<b>Spratley House</b>
-------------------	-----------------------

**Cycle Type:** 9% Tax Credits      **Requested Credit Amount:** \$441,000  
**Allocation Type:** Rehabilitation      **Jurisdiction:** Newport News City  
**Total Units:** 50      **Population Target:** General  
**Total LI Units:** 50  
**Project Gross Sq Ft:** 45,990.00      **Owner Contact:** Karen Wilds  
**Green Certified?** FALSE

<b>Total Score</b>
<b>516.69</b>

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$2,705,000	\$54,100	\$59	\$28,632

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$3,575,000	\$71,500	\$78	55.02%
General Req/Overhead/Profit	\$500,500	\$10,010	\$11	7.70%
Other Contract Costs	\$105,000	\$2,100	\$2	1.62%
Owner Costs	\$1,617,101	\$32,342	\$35	24.89%
Acquisition	\$0	\$0	\$0	0.00%
Developer Fee	\$700,000	\$14,000	\$15	10.77%
<b>Total Uses</b>	<b>\$6,497,601</b>	<b>\$129,952</b>		

Total Development Costs	
-------------------------	--

Total Improvements	\$5,797,601
Land Acquisition	\$0
Developer Fee	\$700,000
<b>Total Development Costs</b>	<b>\$6,497,601</b>

Income		
Gross Potential Income - LI Units		\$338,760
Gross Potential Income - Mkt Units		\$0
Subtotal		\$338,760
Less Vacancy %	7.00%	\$23,713
<b>Effective Gross Income</b>		<b>\$315,047</b>

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$83,440	\$1,669
Utilities	\$53,500	\$1,070
Operating & Maintenance	\$85,400	\$1,708
Taxes & Insurance	\$35,375	\$708
<b>Total Operating Expenses</b>	<b>\$257,715</b>	<b>\$5,154</b>
Replacement Reserves	\$15,000	\$300
<b>Total Expenses</b>	<b>\$272,715</b>	<b>\$5,454</b>

Cash Flow	
EGI	\$315,047
Total Expenses	\$272,715
<b>Net Income</b>	<b>\$42,332</b>
Debt Service	\$28,632
<b>Debt Coverage Ratio (YR1):</b>	<b>1.48</b>

**Proposed Cost Limit/Unit:** \$129,952  
**Applicable Cost Limit/Unit:** \$199,972  
**Proposed Cost Limit/Sq Ft:** \$141  
**Applicable Cost Limit/Sq Ft:** \$140

Unit Breakdown	
Supp Hsg	10
# of Eff	0
# of 1BR	32
# of 2BR	8
# of 3BR	0
# of 4+ BR	0
<b>Total Units</b>	<b>40</b>

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	5
50% AMI	25	20
60% AMI	25	25
>60% AMI	0	0
Market	0	0

Income Averaging? TRUE

Extended Use Restriction? 30

2019 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$137.48** Credits/SF = **9.5890119** Const \$/unit = **\$83,610.0000**

TYPE OF PROJECT  
LOCATION  
TYPE OF CONSTRUCTION

GENERAL = 11000; ELDERLY = 12000  
Inner-NVA=100; Outer-NV=200; NWNVC=300; Rich=400; Tid=500; Balance=600  
N C=1; ADPT=2; REHAB(35,000+)=3; REHAB\*(15,000-35,000)=4

**11000**  
**500**  
**3**

**500**  
**3**

\*REHABS LOCATED IN BELTWAY (\$15,000-\$50,000) See Below

	Elderly						
	GENERAL Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	857.67	0.00	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	10	0	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	264,130	0	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	264,130	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	290,326	0	0	0	0	0	0
PROJECT COST PER UNIT	117,911	0	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	16,320	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	16,320	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	18,326	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	8,224	0	0	0	0	0	0
COST PER UNIT POINTS	11.88	0.00	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	22.05	0.00	0.00	0.00	0.00	0.00	0.00

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	857.68	1,245.96	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	32	8	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	148,995	202,208	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	148,995	202,208	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	163,772	222,263	0	0	0	0	0
PROJECT COST PER UNIT	0	117,912	171,292	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	10,605	14,393	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	10,605	14,393	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	11,908	16,162	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	8,224	11,948	0	0	0	0	0
COST PER UNIT POINTS	0.00	17.92	3.67	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	39.60	8.34	0.00	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **33.47**

TOTAL CREDIT PER UNIT POINTS **69.99**

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	264,130	0	0	0	0	0	0
Parameter Adjustment - mid rise	26,196	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>290,326</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	16,320	0	0	0	0	0	0
Parameter Adjustment - mid rise	2,006	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>18,326</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Cost Parameters - General

EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
-------	--------	--------	--------	--------	---------	---------	---------

Standard Parameter - low rise	0	148,995	202,208	0	0	0	0	0
Parameter Adjustment - mid rise	0	14,777	20,055	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>163,772</b>	<b>222,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	10,605	14,393	0	0	0	0	0
Parameter Adjustment - mid rise	0	1,303	1,769	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>11,908</b>	<b>16,162</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Northern Virginia Beltway** (Rehab costs \$15,000-\$50,000)

**Cost Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	264,130	0	0	0	0	0	0
Parameter Adjustment - mid rise	26,196	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>290,326</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	16,320	0	0	0	0	0	0
Parameter Adjustment - mid rise	2,006	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>18,326</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	148,995	202,208	0	0	0	0	0
Parameter Adjustment - mid rise	0	14,777	20,055	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>163,772</b>	<b>222,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	10,605	14,393	0	0	0	0	0
Parameter Adjustment - mid rise	0	1,303	1,769	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>11,908</b>	<b>16,162</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

2019 Low-Income Housing Tax Credit Application For Reservation

\$/SF = **\$137.48** Credits/SF = **9.5890119** Const \$/unit = **\$83,610.00**

TYPE OF PROJECT  
LOCATION  
TYPE OF CONSTRUCTION

GENERAL = 11000; ELDERLY = 12000  
Inner-NVA=100; Outer-NV=200; NWNC=300; Rich=400; Tid=500; Balance=600  
N C=1; ADPT=2;REHAB(35,000+)=3; REHAB\*(10,000-35,000)=4

**11000**  
**500**  
**3**

**500**  
**3**

\*REHABS LOCATED IN BELTWAY (\$10,000-\$50,000) See Below

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	857.67	0.00	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	10	0	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	264,130	0	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	264,130	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	290,326	0	0	0	0	0	0
PROJECT COST PER UNIT	117,911	0	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	16,320	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	16,320	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	18,326	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	8,224	0	0	0	0	0	0
COST PER UNIT POINTS	11.88	0.00	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	22.05	0.00	0.00	0.00	0.00	0.00	0.00

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	857.68	1,245.96	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	32	8	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	148,995	202,208	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	148,995	202,208	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	163,772	222,263	0	0	0	0	0
PROJECT COST PER UNIT	0	117,912	171,292	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	10,605	14,393	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	10,605	14,393	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	11,908	16,162	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	8,224	11,948	0	0	0	0	0
COST PER UNIT POINTS	0.00	17.92	3.67	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	39.60	8.34	0.00	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **33.47**

TOTAL CREDIT PER UNIT POINTS **69.99**

Cost Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	264,130	0	0	0	0	0	0
Parameter Adjustment - mid rise	26,196	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>290,326</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Credit Parameters - Elderly

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	16,320	0	0	0	0	0	0
Parameter Adjustment - mid rise	2,006	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>18,326</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Cost Parameters - General

EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
-------	--------	--------	--------	--------	---------	---------	---------

Standard Parameter - low rise	0	148,995	202,208	0	0	0	0	0
Parameter Adjustment - mid rise	0	14,777	20,055	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>163,772</b>	<b>222,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Credit Parameter - low rise	0	10,605	14,393	0	0	0	0	0
Parameter Adjustment - mid rise	0	1,303	1,769	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>11,908</b>	<b>16,162</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Northern Virginia Beltway** (Rehab costs \$10,000-\$50,000)

**Cost Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	264,130	0	0	0	0	0	0
Parameter Adjustment - mid rise	26,196	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>290,326</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	16,320	0	0	0	0	0	0
Parameter Adjustment - mid rise	2,006	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>18,326</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	148,995	202,208	0	0	0	0	0
Parameter Adjustment - mid rise	0	14,777	20,055	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>163,772</b>	<b>222,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
Standard Cost Parameter - low rise	0	10,605	14,393	0	0	0	0	0
Parameter Adjustment - mid rise	0	1,303	1,769	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>11,908</b>	<b>16,162</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

A

# Partnership or Operating Agreement

Including chart of ownership structure with percentage of  
interests **(MANDATORY)**

**OPERATING AGREEMENT  
OF  
SPRATLEY HOUSE LLC**

THIS OPERATING AGREEMENT, dated as of February 9, 2017, by the undersigned party who, by its execution of this Operating Agreement, has become the sole member of Spratley House LLC, a Virginia limited liability company (the "Company"), provides as follows:

**RECITALS:**

The undersigned party has caused the Company to be organized as a limited liability company under the laws of the Commonwealth of Virginia effective February 23, 2017, and enters into this Operating Agreement to set forth the terms and conditions on which the management, business and financial affairs of the Company shall be conducted.

**AGREEMENT:**

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises, covenants and conditions herein contained, the receipt and sufficiency of which are hereby acknowledged, the party does hereby covenant as follows:

**ARTICLE I**

**DEFINITIONS**

1.1 The following terms used in this Operating Agreement shall have the following meanings (unless otherwise expressly provided herein):

(a) "Act" shall mean the Virginia Limited Liability Company Act, Va. Code Ann. § 13.1-1000 et seq., as amended and in force from time to time.

(b) "Articles" shall mean the articles of organization of the Company, as amended and in force from time to time.

(c) "Capital Account" shall mean as of any given date the amount calculated and maintained by the Company for each Member as provided in Section 6.04 hereof.

(d) "Capital Contribution" shall mean any contribution to the capital of the Company by a Member in cash, property or services, or a binding obligation to contribute cash, property or services, whenever made. "Initial Capital Contribution" shall mean the initial contribution to the capital of the Company by a Member, as determined pursuant to Article IV hereof.

(e) "Code" shall mean the Internal Revenue Code of 1986 or corresponding provisions of subsequent superseding federal revenue laws.

(f) "Company" shall refer to Spratley House LLC.

(g) "Entity" shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or other association.

(h) "Manager" shall mean the manager of the Company, whose rights, powers and duties are specified in Article VII hereof.

(i) "Member" shall mean the Entity that is identified as the initial Member in Article III hereof or any Person who is admitted as a Member (either as a transferee of a Membership Interest or as an additional Member). A Person shall cease to be a Member at such time as it or he no longer owns any Membership Interest.

(j) "Membership Interest" shall mean the ownership interest of a Member in the Company, which may be expressed as a percentage equal to such Member's Capital Account divided by the aggregate Capital Accounts of all Members. The Membership Interests may be recorded from time to time on a schedule attached to this Operating Agreement.

(k) "Operating Agreement" shall mean this Operating Agreement, as originally executed and as amended from time to time.

(l) "Person" shall mean any natural person or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such Person where the context so admits.

## ARTICLE II

### PURPOSES AND POWERS OF COMPANY

2.1 Purposes. The purposes of the Company shall be to:

(a) Acquire, develop, own, manage, operate, buy, sell, exchange, finance, refinance and otherwise deal with real estate and personal property incidental to real estate, as the Members may from time to time deem to be in the best interests of the Company, in particular, to acquire certain real estate in Newport News, rehabilitate the existing buildings thereon, operate thereon an affordable multifamily housing development using a combination of debt and equity derived from federal low income housing tax credits (the "Project"), to do all acts necessary or incidental to the accomplishment of that purpose and to engage such engineers, architects, contractors and other persons to accomplish such purpose. In particular, the Company is authorized to prepare and file an application for reservation of low income housing tax credits with the Virginia Housing Development Authority and to enter into such other



agreements as may be required for the purposes set forth above; and

(b) Engage in such other activities as are related or incidental to the foregoing purposes or otherwise reasonably necessary to accomplish the purposes of the Company and to do all such other acts or things except as may be specifically prohibited by this Operating Agreement of state or federal law.

2.2 Powers. The Company shall have all powers and rights of a limited liability company organized under the Act, to the extent such powers and rights are not proscribed by the Articles.

### ARTICLE III

#### NAMES, ADDRESSES AND MEMBERSHIP INTERESTS OF INITIAL MEMBER'S PRINCIPAL OFFICE

3.1 Name, Address and Membership Interest of Initial Sole Member. The name, address and Membership Interest of the initial sole Member are as follows:

<u>Name and Address</u>	<u>Membership Interest</u>
Spratley House Development Corporation 227 27th Street Newport News, Virginia 23607	100%

3.2 Principal Office. The principal office of the Company shall be at 227 27th Street, Newport News, Virginia 23607. The principal office may be changed from time to time by the Manager.

### ARTICLE IV

#### CONTRIBUTED CAPITAL AND CAPITAL ACCOUNTS

4.1 Initial Capital Contributions. The Member, upon the execution of this Operating Agreement, shall make as an initial Capital Contribution the amount shown on Exhibit A, which is attached hereto and by this reference is made a part hereof.

4.2 Additional Capital Contributions. The Member shall not be required to make any Capital Contribution in addition to its Initial Capital Contribution. Otherwise, the Members may make additional Capital Contributions to the Company only if such additional Capital Contributions are made pro rata by all the Members or all the Members consent in writing to any non-pro rata contribution.

4.3 Interest and Return of Capital Contribution. The Member shall not receive any interest on its Capital Contribution. Except as otherwise specifically provided for herein, the Members shall not be allowed to withdraw or have refunded any Capital Contribution.

## ARTICLE V

### ALLOCATIONS OF PROFITS AND LOSSES

5.1 Participation in Profits and Losses. All profits and losses of the Company shall be allocated to the Member(s) in accordance with it or their respective Membership Interests.

## ARTICLE VI

### DISTRIBUTIONS OF CASH FLOW

6.1 Distributions of Cash Flow. All cash flows of the Company shall be distributed to the Member(s) at such times as the Member(s) may determine.

## ARTICLE VII

### MANAGER

7.1 Powers of Manager. Except as expressly provided otherwise in the Act, the Articles or this Operating Agreement, the powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed by the Manager. The Manager shall have complete charge of all affairs and business and management and control of the Company. The Manager shall have all the rights and powers as are conferred by law or as it deems necessary, advisable or convenient in managing the business and affairs of the Company.

7.2 Election of Manager. The Manager of the Company shall be Spratley House Development Corporation, a Virginia corporation.

7.3 Business Relationships with the Company. The Company may enter into any contract, agreement, lease or other arrangement for the furnishing to or by the Company of real estate, goods, services or space with any Member or Person which is related to or affiliated with any Member or which is directly or indirectly owned or controlled by the Member(s) or by a Person related to or affiliated with the Member(s).

7.4 Limitation of Liability of Members or Manager. No Member or Manager of the Company shall be liable for any amount in a proceeding brought by or on behalf of the Company or the Members of the Company.

7.5 Indemnification. The Company shall indemnify and hold harmless any Member and any partner, shareholder, director, officer, manager, agent, affiliate and professional or other advisor of the Member(s) (collectively, the "Indemnified Persons") from and against any and all loss, damage, expense (including without limitation, fees and expenses of attorneys and other advisors and any court costs incurred by any Indemnified Person) or liability by reason of anything any Indemnified Person does

or refrains from doing for, or in connection with the business or affairs of the Company (INCLUDING ANY LOSS, DAMAGE, EXPENSE OR LIABILITY CAUSED BY OR ATTRIBUTABLE TO THE ORDINARY OR SIMPLE NEGLIGENCE, AS OPPOSED TO GROSS NEGLIGENCE, OF THE INDEMNIFIED PERSON), except to the extent that the loss, damage, expense or liability results primarily from the Indemnified Person's gross negligence or willful breach of a material provision of this Operating Agreement which in either event causes actual, material damage to the Company. The foregoing rights of indemnification shall not be exclusive of any other rights to which the Member(s) may be entitled. The Manager may take such action as is necessary to carry out these indemnification provisions and may adopt, approve and amend from time to time such resolutions or contracts implementing such provisions or such further indemnification arrangements as may be permitted by law.

7.6 Liability of Manager. So long as the Manager acts in good faith with respect to the conduct of the business and affairs of the Company, the Manager shall not be liable or accountable to the Company or to the Member(s), in damages or otherwise, for any error of judgment, for any mistake of fact or of law, or for any other act or thing that it may do or refrain from doing in connection with the business and affairs of the Company, except for willful misconduct or gross negligence or breach of fiduciary duty.

## ARTICLE VIII

### DISSOLUTION AND TERMINATION

8.1 Events of Dissolution. The Company shall be dissolved upon the first to occur of the following:

(a) Any event that under the Act or the Articles requires dissolution of the Company, provided that the resignation, retirement, expulsion, bankruptcy or dissolution of a Member or occurrence of any other event that terminates the continued membership of a Member in the Company shall not cause the dissolution of the Company;

(b) The unanimous written consent of the Members to the dissolution of the Company;

(c) The entry of a decree of judicial dissolution of the Company as provided in the Act; or

(d) The occurrence of any other event described in the Act that causes an involuntary termination

8.2 Liquidation. Upon the dissolution of the Company, the Member(s) shall wind up its affairs and distribute its assets in accordance with the Act. A reasonable time shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to the creditors so as to minimize any losses attendant upon dissolution.

8.3 Distributions. Upon liquidation, the Company assets (including any cash on hand) shall be sold or distributed in accordance with the Act.

8.4 No Recourse Against Member(s). Except as provided by law, upon dissolution, each Member shall look solely to the assets of the Company for any payments required or allowed to be made to it, and no Member shall have any recourse against any other Member, and no Member shall be required to contribute property to make up a deficit capital account upon dissolution.

8.5 Non Profit Purchase Option and Right of First Refusal Agreement. The Company is expressly authorized to enter into an exclusive Nonprofit Purchase Option and Right of First Refusal with Newport News Redevelopment and Housing Authority, which is a qualified nonprofit organization under the provisions of Section 42 of the Code, which Purchase Option shall comply with the requirements of such Section 42.

## ARTICLE IX

### MISCELLANEOUS PROVISIONS

9.1 Notices. Whenever, under the provisions of the Act or other law, the Articles or this Operating Agreement, notice is required to be given to any Person, it shall not be construed to mean exclusively personal notice unless otherwise specifically provided, but such notice may be given in writing, by mail, addressed to the Company at its principal office from time to time and to any other Person at its address as it appears on the records of the Company from time to time, with postage thereon prepaid. Any such notice shall be deemed to have been given at the time it is deposited in the United States mail. Notice to a Person may also be given personally or by telegram or telecopy sent to its address as it appears on the records of the Company.

9.2 Application of Virginia Law. This Operating Agreement and the interpretation hereof, shall be governed exclusively by its terms and by the laws of the Commonwealth of Virginia, without reference to its choice of law provisions, and specifically the Act.

9.3 Amendments. No amendment or modification of this Operating Agreement shall be effective except upon the unanimous written consent of the Members.

9.4 Construction. Whenever the singular number is used in this Operating Agreement and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa.

9.5 Headings. The headings in this Operating Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Operating Agreement or any provision hereof.

9.6 Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Operating

Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

9.7 Rights and Remedies Cumulative. The rights and remedies provided by this Operating Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

9.8 Severability. If any provision of this Operating Agreement or the application thereof to any Person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

9.9 Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Operating Agreement, their respective legal representatives, successors and assigns.

9.10 Creditors. None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditor of the Company.

9.11 Counterparts. This Operating Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

9.12 Entire Agreement. This Operating Agreement sets forth all of the promises, agreements, conditions and understandings between the parties respecting the subject matter hereof and supersedes all prior negotiations, conversations, discussions, correspondence, memoranda and agreements between the parties concerning such subject matter.

The undersigned, being the sole initial Member of the Company, hereby acknowledges and certifies that the foregoing Operating Agreement constitutes the sole and entire Operating Agreement of the Company, adopted by the Member of the Company as of the date first written above. The Member further declares that the percentage Membership Interest specified below is its ownership interest in the Company.

**MEMBER:**

Spratley House Development Corporation -100% Interest

By: Karen R Wilds  
Karen R. Wilds, President

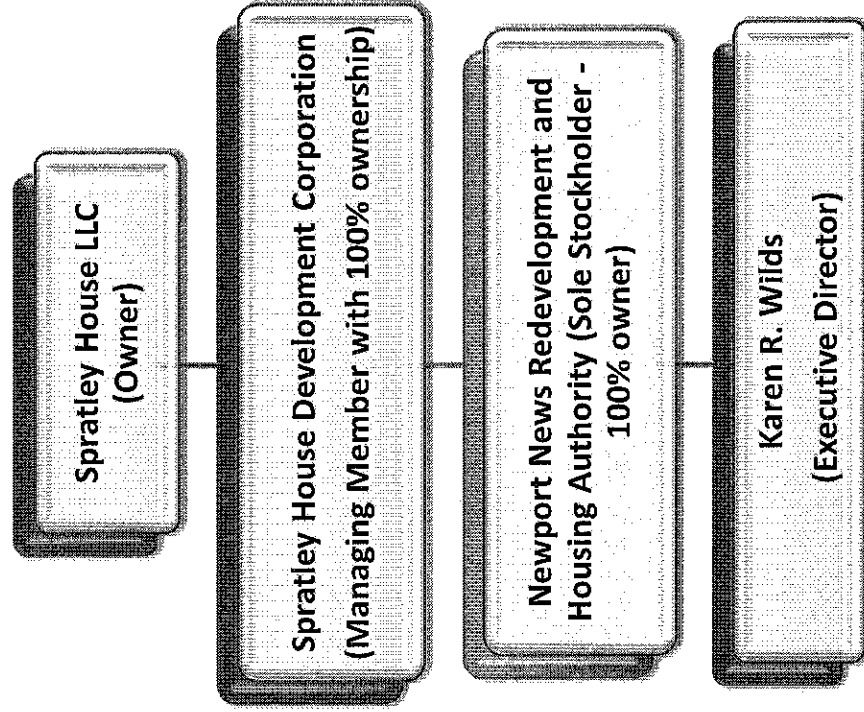
**EXHIBIT A**

Initial Capital Contribution

Spratley House Development Corporation

\$100.00

# SPRATLEY HOUSE ORGANIZATIONAL CHART



## DEVELOPMENT AGREEMENT

**THIS DEVELOPMENT AGREEMENT** (this "Agreement") made as of \_\_\_\_\_, 2019 by and between Spratley House LLC, a Virginia limited liability company (the "Company") and Newport News Redevelopment and Housing Authority, a Virginia body politic and corporate (the "Developer").

### Recitals

WHEREAS, the Company was formed to acquire, construct, develop, improve, maintain, own, operate, lease, dispose of and otherwise deal with an apartment project located in Newport News, Virginia, known as Spratley House (the "Project").

WHEREAS, the Project, following the completion of construction, is expected to constitute a "qualified low-income housing project" (as defined in Section 42(g)(1) of the Code).

WHEREAS, the Developer has provided and will continue to provide certain services with respect to the Project during the acquisition, development, rehabilitation and initial operating phases thereof.

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Amended and Restated Operating Agreement of the Company of even date herewith (the "Operating Agreement").

**NOW, THEREFORE**, in consideration of the recitals, covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties agree as follows:

#### Section 1. Development Services.

(a) The Developer has performed certain services relating to the development of the Project and shall oversee the development and construction of the Project and shall perform the services and carry out the responsibilities with respect to the Project as are set forth herein, and such additional duties and responsibilities as are reasonably within the general scope of such services and responsibilities and are designated from time to time by the Company.

(b) The Developer's services shall be performed in the name and on behalf of the Company and shall consist of the duties set forth in subparagraphs (i)-(xiii) below of this Section 1(b) and as provided elsewhere in this Agreement; provided, however, that if the performance of any duty of the Developer set forth in this Agreement is beyond the reasonable control of the Developer, the Developer shall nonetheless be obligated to (i) use its best efforts to perform such



duty and (ii) promptly notify the Company that the performance of such duty is beyond its reasonable control. The Developer has performed or shall perform the following:

(i) Negotiate and cause to be executed in the name and on behalf of the Company any agreements for architectural, engineering, testing or consulting services for the Project, and any agreements for the construction of any improvements or tenant improvements to be constructed or installed by the Company or the furnishing of any supplies, materials, machinery or equipment therefor, or any amendments thereof, provided that no agreement shall be executed nor binding commitment made until the terms and conditions thereof and the party with whom the agreement is made have been approved by the Managing Member unless the terms, conditions, and parties comply with guidelines issued by the Managing Member concerning such agreements;

(ii) Assist the Company in identifying sources of construction financing for the Project and negotiate the terms of such financing with lenders;

(iii) Establish and implement appropriate administrative and financial controls for the design and construction of the Project, including but not limited to:

(A) coordination and administration of the Project architect, the general contractor, and other contractors, professionals and consultants employed in connection with the design or rehabilitation of the Project;

(B) administration of any construction contracts on behalf of the Company;

(C) participation in conferences and the rendering of such advice and assistance as will aid in developing economical, efficient and desirable design and construction procedures;

(D) the rendering of advice and recommendations as to the selection of subcontractors and suppliers;

(E) the review and submission to the Company for approval of all requests for payments under any architectural agreement, general contractor's agreement, or any loan agreements with any lending institutions providing funds for the benefit of the Company for the design or construction of any improvements;

(F) the submission of any suggestions or requests for changes which could in any reasonable manner improve the design, efficiency or cost of the Project;

(G) applying for and maintaining in full force and effect any and all governmental permits and approvals required for the lawful construction of the Project;

(H) compliance with all terms and conditions applicable to the Company or the Project contained in any governmental permit or approval required or obtained for the lawful construction of the Project, or in any insurance policy affecting or covering the Project, or in any surety bond obtained in connection with the Project;

(I) furnishing such consultation and advice relating to the Project as may be reasonably requested from time to time by the Company;

(J) keeping the Company fully informed on a regular basis of the progress of the design and construction of the Project, including the preparation of such reports as are provided for herein or as may reasonably be requested by the Company and which are of a nature generally requested or expected of construction managers or owner's representatives on similar projects;

(K) giving or making the Company's instructions, requirements, approvals and payments provided for in the agreements with the Project architect, general contractor, and other contractors, professionals and consultants retained for the Project; and

(L) at the Company's expense, filing on behalf of and as the attorney-in-fact for the Company any notices of completion required or permitted to be filed upon the completion of any improvement(s) and taking such actions as may be required to obtain any certificates of occupancy or equivalent documents required to permit the occupancy of the Project.

(iv) Inspect the progress of the course of construction of the Project, including verification of the materials and labor being furnished to and on such construction so as to be fully competent to approve or disapprove requests for payment made by the Project architect and the general contractor, or by any other parties with respect to the design or construction of the Project, and in addition to verify that the construction is being carried out substantially in accordance with the plans and specifications approved by the Company or, in the event construction is not being so carried out, to promptly notify the Company;

(v) If requested to do so by the Company, perform on behalf of the Company all obligations of the Company with respect to the design or construction of the Project contained in any loan agreement or security agreement in connection with the Project, or in any lease or rental agreement relating to space in the Project, or in any agreement entered into with any governmental body or agency relating to the terms and conditions of such construction, provided that copies of such agreements have been provided by the Company to the Developer or the Company has otherwise notified the Developer in writing of such obligations;

(vi) To the extent requested to do so by the Company, prepare and distribute to the Company a critical path schedule, and periodic updates thereto as necessary to reflect any material changes, but in any event not less frequently than quarterly, other design or construction cost estimates as required by the Company, and financial accounting reports, including monthly progress reports on the quality, progress and cost of construction and recommendations as to the drawing of funds from any loans arranged by the Company to cover the cost of design and construction of the Project, or as to the providing of additional capital contributions should such loan funds for any reason be unavailable or inadequate;

(vii) At the Company's expense, obtain and maintain insurance coverage for the Project, the Company, the Management Agent, and the Developer and its employees, at all times until final completion of construction of the Project, in accordance with an insurance schedule approved by the Company, which insurance shall include general public liability insurance covering claims for personal injury, including but not limited to bodily injury, or property damage, occurring in or upon the Property or the streets, passageways, curbs and vaults adjoining the Property. Such insurance shall be in a liability amount approved by the Company;

(viii) Comply with all applicable present and future laws, ordinances, orders, rules, regulations and requirements (hereinafter in this subparagraph (ix) called "laws") of all federal, state and municipal governments, courts, departments, commissions, boards and offices, any national or local Board of Fire Underwriters or Insurance Services. Offices having jurisdiction in the county in which the Project is located or any other body exercising functions similar to those of any of the foregoing, or any insurance carriers providing any insurance coverage for the Company or the Project, which may be applicable to the Project or any part thereof. Any such compliance undertaken by the Developer on behalf of and in the name of the Company, in accordance with the provisions of this Agreement, shall be at the Company's expense. The Developer shall likewise ensure that all agreements between the Company and independent contractors performing work in connection with the Project shall include the agreement of said independent contractors to comply with all such applicable laws;

(ix) Assemble and retain all contracts, agreements and other records and data as may be necessary to carry out the Developer's functions hereunder. Without limiting the foregoing, the Developer will prepare, accumulate and furnish to the Company and the appropriate governmental authorities, as necessary, data and information sufficient to identify the market value of improvements in place as of each real property tax lien date, and will take application for appropriate exclusions from the capital costs of the Project for purposes of real property ad valorem taxes;

(x) Coordinate and administer the design and construction of all interior tenant improvements to the extent required under any leases or other occupancy agreements to be constructed or furnished by the Company with respect to the initial leasing of space in the Project, whether involving building standard or non-building standard work;

(xi) Use its best efforts to accomplish the timely completion of the Project in accordance with the approved plans and specifications and the time schedules for such completion approved by the Company;

(xii) At the direction of the Company, implement any decisions of the Company made in connection with the design, development and construction of the Project or any policies and procedures relating thereto, exclusive of leasing activities; and

(xiii) Perform and administer any and all other services and responsibilities of the Developer which are set forth in any other provisions of this Agreement, or which are requested to be performed by the Company and are within the general scope of the services described herein.

Section 2. Limitations and Restrictions. Notwithstanding any provisions of this Agreement, the Developer shall not take any action, expend any sum, make any decision, give any consent, approval or authorization, or incur any obligation with respect to (i) any matter not related to the construction or construction financing of the Project, including but not limited to the acquisition of the Project, the organization of the Company, obtaining permanent financing, obtaining an investor for the Company or leasing up the Project, such matters to be performed or supervised by the Managing Member and (ii) any of the following matters unless and until the same has been approved by the Company:

(a) Approval of all construction and architectural contracts and all architectural plans, specifications and drawings prior to the construction and/or alteration of any improvements contemplated thereby, except for such matters as may be expressly delegated in writing to the Developer by the Company;

(b) Any proposed change in the work of the construction of the Project, or in the plans and specifications therefor as previously approved by the Company, or in the cost thereof, or any

other change which would affect the design, cost, value or quality of the Project, except for such matters as may be expressly delegated in writing to the Developer by the Company;

(c) Making any expenditure or incurring any obligation by or on behalf of the Company or the Project involving a sum in excess of \$50,000 or involving a sum of less than \$25,000 where the same relates to a component part of any work, the combined cost of which exceeds \$50,000, except for expenditures made and obligations incurred pursuant to and specifically set forth in a construction budget approved by the Company (the "Construction Budget") or for such matters as may be otherwise expressly delegated to the Developer by the Company;

(d) Making any expenditure or incurring any obligation which, when added to any other expenditure, exceeds the Construction Budget or any line item specified in the Construction Budget, except for such matters as may be otherwise expressly delegated in writing to the Developer by the Company; or

(e) Expending more than what the Developer in good faith believes to be the fair and reasonable market value at the time and place of contracting for any goods purchased or leased or services engaged on behalf of the Company or otherwise in connection with the Project.

### Section 3. Accounts and Records.

(a) The Developer, on behalf of the Company, shall keep such books of account and other records as may be required and approved by the Company, including, but not limited to, records relating to the costs of construction advances. The Developer shall keep vouchers, statements, receipted bills and invoices and all other records, in the form approved by the Company, covering all collections, if any, disbursements and other data in connection with the Project prior to final completion of construction. All accounts and records relating to the Project, including all correspondence, shall be surrendered to the Company, upon demand without charge therefor.

(b) The Developer shall cooperate with the Management Agent to facilitate the timely preparation by the Management Agent of such reports and financial statements as the Management Agent is required to furnish pursuant to the Management Agreement.

(c) All books and records prepared or maintained by the Developer shall be kept and maintained at all times at the place or places approved by the Company, and shall be available for and subject to audit, inspection and copying by the Management Agent, the Company or any representative or auditor thereof or supervisory or regulatory authority, at the times and in the manner set forth in the Operating Agreement.

Section 4. Obligation To Complete Construction and to Pay Development Costs.

The Developer shall complete the construction of the Project or cause the same to be completed in a good and workmanlike manner, free and clear of all mechanics', materialmen's or similar liens, and shall equip the Project or cause the same to be equipped with all necessary and appropriate fixtures, equipment and articles of personal property, including refrigerators and ranges, provided for in the Project Documents and the Plans and Specifications. The Developer also shall cause the achievement of Final Closing in accordance with the terms of the Operating Agreement. If the Specified Proceeds as available from time to time are insufficient to cover all Development Costs and achieve Final Closing, the Developer shall advance or cause to be advanced to the Company from time to time as needed all such funds as are required to pay such deficiencies. Any such advances ("Development Advances") shall, to the extent permitted under the Project Documents and any applicable regulations or requirements of any Project Lender or Agency, be reimbursed at or prior to Final Closing only out of Specified Proceeds available from time to time after payment of all Development Costs. Any balance of the amount of each Development Advance not reimbursed through Final Closing shall not be reimbursable to the Developer and shall not be credited to the Capital Account of any Member, or otherwise change the interest of any Person in the Company, but shall be borne by the Developer under the terms of this Agreement, provided, however, if the Managing Member makes a Development Advance, such Advance shall be repaid as a Completion Loan under the Operating Agreement.

Section 5. Development Amount.

Any Development Advances made by the Developer shall be reimbursed from Specified Proceeds as set forth in Section 4. As reimbursement for any additional Development Advances and as a fee for its services in connection with the development of the Project and the supervision of the construction/rehabilitation of the Project, the Developer shall be paid an amount (the "Development Amount") equal to the lesser of (a) Seven Hundred Thousand and No/100 Dollars (\$700,000); or (b) the maximum amount which conforms to the developer fee standards imposed by the Virginia Housing Development Authority.

Section 6. Applicable Law.

This Agreement, and the application or interpretation hereof, shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

Section 7. Binding Agreement.

This Agreement shall be binding on the parties hereto, their heirs, executors, personal representatives, successors and assigns. As long as the Developer is not in default under this Agreement, the obligation of the Company to pay the Development Amount shall not be affected by any change in the identity of the Managing Member of the Company.

Section 8. Headings.

All section headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any section.

Section 9. Terminology.

All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

For purposes of this Agreement, the following terms have the following meanings:

"Development Costs" means any and all costs and expenses necessary to (i) cause the construction of the Project to be completed, in a good and workmanlike manner, free and clear of all mechanics', materialmen's or similar liens, in accordance with the Plans and Specifications, (ii) equip the Project with all necessary and appropriate fixtures, equipment and articles of personal property (including, without limitation, refrigerators and ranges), (iii) obtain all required certificates of occupancy for the apartment units and other space in the Project, (iv) finance the construction of the Project and achieve Final Closing in accordance with the provisions of the Project Documents, (v) discharge all Company liabilities and obligations arising out of any casualty occurring prior to Final Closing generating insurance proceeds for the Company, (vi) fund any Company reserves required hereunder or under any of the Project Documents at or prior to Final Closing, (vii) repay and discharge the construction loan from senior construction lender; and (viii) pay any other costs or expenses necessary to achieve the Completion Date and Final Closing.

"Specified Proceeds" means (i) the proceeds of all Project Loans, (ii) the net rental income, if any, generated by the Project prior to Final Closing which is permitted by the Project Lenders to be applied to the payment of Development Costs, (iii) the Capital Contributions of the Investor Member, (iv) the Capital Contributions of the Managing Member in the amounts set forth in the Operating Agreement as of the Initial Closing, and (v) any insurance proceeds arising out of casualties occurring prior to Final Closing.

Section 10. Benefit of Agreement.

The obligations and undertakings of the Developer set forth in this Agreement are made for the benefit of the Company and its Members and shall not inure to the benefit of any creditor of the Company other than a Member, notwithstanding any pledge or assignment by the Company of this Agreement of any rights hereunder.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]





**IN WITNESS WHEREOF**, the parties have caused this Agreement to be duly executed as of the date first written above.

COMPANY:

Spratley House LLC, a Virginia limited liability company

By: Spratley House Development Corporation,  
its Managing Member

By: \_\_\_\_\_  
Karen R. Wilds, President

DEVELOPER:

Newport News Redevelopment and Housing  
Authority, a Virginia body politic and  
corporate

By: \_\_\_\_\_  
Karen R. Wilds, Executive Director

B

Virginia State Corporation  
Commission Certification  
(MANDATORY)

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

*Richmond, February 23, 2017*

*This is to certify that the certificate of organization of*

**Spratley House LLC**

*was this day issued and admitted to record in this office and that the said limited liability company is authorized to transact its business subject to all Virginia laws applicable to the company and its business. Effective date: February 23, 2017*



*State Corporation Commission*

*Attest:*

*Joel H. Peck*  
Clerk of the Commission



COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

LLC-1011  
(10/11)

ARTICLES OF ORGANIZATION  
OF A VIRGINIA LIMITED LIABILITY COMPANY

Pursuant to Chapter 12 of Title 13.1 of the Code of Virginia the undersigned states as follows:

1. The name of the limited liability company is

Spratley House LLC

(The name must contain the words limited company or limited liability company or the abbreviation L.C., LC, L.L.C. or LLC)

2. A. The name of the limited liability company's initial registered agent is

Raymond H. Suttle, Jr.

B. The initial registered agent is (mark appropriate box):

(1) an INDIVIDUAL who is a resident of Virginia and

- a member or manager of the limited liability company.
- a member or manager of a limited liability company that is a member or manager of the limited liability company.
- an officer or director of a corporation that is a member or manager of the limited liability company.
- a general partner of a general or limited partnership that is a member or manager of the limited liability company.
- a trustee of a trust that is a member or manager of the limited liability company.
- a member of the Virginia State Bar.

OR

(2)  a domestic or foreign stock or nonstock corporation, limited liability company or registered limited liability partnership authorized to transact business in Virginia.

3. A. The limited liability company's initial registered office address, including the street and number, if any, which is identical to the business office of the initial registered agent, is

Fountain Plaza One, 701 Town Center Drive, Suite 800 Newport News VA 23606  
(number/street) (city or town) (state) (zip)

B. The registered office is located in the  county or  city of Newport News

4. The limited liability company's principal office address, including the street and number, is

227 27th Street Newport News VA 23607  
(number/street) (city or town) (state) (zip)

Organizer(s):

(signature)

Aaron O'Toole, Klein Hornig LLP

(printed name)

2/13/17  
(date)

(202) 842-9006

(telephone number (optional))

**PRIVACY ADVISORY:** Information such as social security number, date of birth, maiden name, or financial institution account numbers is NOT required to be included in business entity documents filed with the Office of the Clerk of the Commission. Any information provided on these documents is subject to public

SEE INSTRUCTIONS ON THE REVERSE

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, FEBRUARY 23, 2017

The State Corporation Commission has found the accompanying articles submitted on behalf of

**Spratley House LLC**

to comply with the requirements of law, and confirms payment of all required fees. Therefore, it is ORDERED that this

**CERTIFICATE OF ORGANIZATION**

be issued and admitted to record with the articles of organization in the Office of the Clerk of the Commission, effective February 23, 2017.

STATE CORPORATION COMMISSION

By



Judith Williams Jagdmann  
Commissioner

# Commonwealth of Virginia



## State Corporation Commission

*I Certify the Following from the Records of the Commission:*

The foregoing is a true copy of all business entity documents on file in the Clerk's Office of the Commission relating to Spratley House LLC, a VIRGINIA limited liability company.

Nothing more is hereby certified.



*Signed and Sealed at Richmond on this Date:  
February 23, 2017*

*Joel H. Peck*  
\_\_\_\_\_  
*Joel H. Peck, Clerk of the Commission*

C

Principal's Previous  
Participation Certification  
(MANDATORY)



## Previous Participation Certification

Development Name: Spratley House  
Name of Applicant (entity): Spratley House LLC

---

I hereby certify that:

1. All the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and any statements attached to this certification.
2. During any time that any of the participants were principals in any multifamily rental property, no property has been foreclosed upon, in default or assigned to the mortgage insurer (governmental or private); nor has mortgage relief by the mortgagee been given;
3. During any time that any of the participants were principals in any multifamily rental property, there has not been any breach by the owner of any agreements relating to the construction or rehabilitation, use, operation, management or disposition of the property, including removal from a partnership;
4. That at no time have any principals listed in this certification been required to turn in a property to the investor or have been removed from a multifamily rental property ownership structure;
5. That to the best of my knowledge, there are no unresolved findings raised as a result of state or federal audits, management reviews or other governmental investigations concerning any multifamily rental property in which any of the participants were principals;
6. During any time that any of the participants were principals in any multifamily rental property, there has not been a suspension or termination of payments under any state or federal assistance contract for the property;
7. None of the participants has been convicted of a felony and is not presently, to my knowledge, the subject of a complaint or indictment charging a felony. A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less;
8. None of the participants has been suspended, debarred or otherwise restricted by any federal or state governmental entity from doing business with such governmental entity; and




**Previous Participation Certification, cont'd**

9. None of the participants has defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
10. None of the participants is a Virginia Housing Development Authority (VHDA) employee or a member of the immediate household of any of its employees.
11. None of the participants is participating in the ownership of a multifamily rental housing property as of this date on which construction has stopped for a period in excess of 20 days or, in the case of a multifamily rental housing property assisted by any federal or state governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.
12. None of the participants has been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
13. None of the participants was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the participant was a principal in such property. This does not refer to corrected 8823's.
14. None of the participants is currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).
15. None of the participants has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

Statements above (if any) to which I cannot certify have been deleted by striking through the words. In the case of any such deletion, I have attached a true and accurate statement to explain the relevant facts and circumstances.

Failure to disclose information about properties which have been found to be out of compliance or any material misrepresentations are grounds for rejection of an application and prohibition against future applications.

Signature



Karen R. Wilds, President  
Printed Name

President - Spratley House Development Corporation, Managing Member - Spratley House LLC

2/26/19

Date (no more than 30 days prior to submission of the Application)

D

# List of LIHTC Developments

(Schedule A)  
**(MANDATORY)**

# List of LIHTC Developments (Schedule A)



Development Name: Spratley House  
 Name of Applicant: Spratley House LLC

**INSTRUCTIONS:**

- 1 **A Schedule A is required for every individual that makes up the GP or Managing Member** - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Principal's Name: Karen R. Wilds, President Spratley House Development Corporation, Managing Member Spratley House - Newport News, Virginia 23607      Controlling GP (CGP) or 'Named' Managing Member of Proposed property? Y

Development #	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or 'Named' Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Ashe Manor Newport News VA	Orcutt Senior Housing LP 227 27th St Newport News VA 23607 757 928 2645	yes	50	50	10/4/2004	9/7/2005	no unresolved
2	Orcutt Village Townhomes I Newport News VA	Orcutt Townhomes Phase I Limited Partnership 227 27th St Newport News VA 23607 757 928 2645	yes	40	40	10/22/2005	9/11/2006	no unresolved
3	Great Oak Apartments Newport News VA	Great Oaks Apartments LLC 227 27th St Newport News VA 23607 757 928 2645	yes	143	143	12/1/2008	8/26/2009	no unresolved
4								
5								
6								
7	Orcutt Townhomes Phase III Newport News VA	Orcutt Townhomes III Limited Partnership 227 27th St Newport News VA 757 928 2645	yes	30	30	5/12/2011	2/24/2012	no unresolved
8								
9								
10	Jefferson Brookville Apartments Newport News VA 23607	Lower Jefferson Avenue LLC 227 27th St Newport News VA 23607 757 928 2645	yes	50	50	8/1/2014	4/9/2015	no unresolved
11								
12								
13								
14	Cypress Terrace Apartments Newport News VA	Cypress Terrace LLC 227 27th St Newport News VA 23607 757 928 2645	yes	82	82	12/31/2016	7/11/2018	no unresolved
15								
16								
17								
18	Oyster Point-Brighton Apartments Newport News VA	Oyster Point-Brighton LLC 227 27th St Newport News VA 23607 757 928 2645	yes	196	196	12/31/2016	6/25/2018	no unresolved
19								
20								
21								
22	Lassiter Courts Apartments Newport News VA	Lassiter Courts LLC 227 27th St Newport News VA 23607 757 928 2645	yes	100	100	Under Construction		
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

E

Site Control  
Documentation & Most  
Recent Real Estate Tax  
Assessment  
(MANDATORY)

## OPTION TO LEASE

### Spratley House

This Option to Purchase (the "Option") is dated March 1, 2019, by and between NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY, a Virginia body politic and corporate, whose business address is 227 27<sup>th</sup> Street, Newport News, Virginia 23607 ("Landlord" or "NNRHA") and SPRATLEY HOUSE LLC, a Virginia limited liability company (SPRATLEY HOUSE LLC, and its permitted successors and assigns hereinafter referred to as, Tenant) having an office at 227 27<sup>th</sup> Street, Newport News, Virginia 23607.

WHEREAS, Landlord owns certain real property on fee simple identified as the City of Newport News Parcel Identification Number 312010226 located at 651 25<sup>th</sup> Street in the City of Newport News, Virginia and intends to lease that real property, such real property (the "Property") being more particularly identified on Exhibit A, attached hereto and made a part hereof;

WHEREAS, in order to finance in part the acquisition and rehabilitation of one or more buildings containing approximately 50 units (the "Project") on the Property, Tenant shall apply for tax credits ("Tax Credits") pursuant to the Virginia Housing Development Authority's 2019 Federal Low Income Housing Tax Credit Program Application (the "Application");

WHEREAS, Landlord wishes to grant Tenant an option to lease the Property, including all improvements located thereon, under a long-term ground lease, the form of which has been agreed to by Landlord and Tenant (the "Ground Lease") and Tenant wishes to accept the option.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Grant of Option. Landlord, in consideration of \$1.00, which shall be non-refundable, paid by Tenant to Landlord, receipt of which is hereby acknowledged, grants to Tenant the exclusive right and option to lease the Property including all improvements thereon on the following terms and conditions. In the event that Tenant does not receive an award of tax credit reservation pursuant to the Application by the Expiration Date (defined below), this Option will automatically terminate.

2. Option Period. The term of this Option shall commence on the date first written above and continue until 5:00 p.m. on December 31, 2019 (the "Expiration Date"). In the event the Application is not approved for Tax Credits on or before the Expiration Date (or the Extended Expiration Date, as applicable), Tenant shall have three successive one time rights to re-apply for Tax Credits in each of calendar years 2020, 2021, and 2022 by sending written notice to Landlord and, in such event, this Option shall remain in full force and effect until the later of December 31 of the year following the exercise of the most recently-exercised extension, unless further extended in accordance with this Section (such later date, the "Extended Expiration Date").

3. Ground Lease. Tenant shall be permitted to assign and encumber its leasehold interest under the Ground Lease, in accordance with the terms of the Ground Lease, as security for debt financing for the Project. This Option shall not be recorded; however, the Ground Lease or a memorandum thereof is expected to be recorded or memorialized in the appropriate office of public records, in accordance with the laws of the Commonwealth of Virginia. All costs of transfer and such recordation will be borne by Tenant. The Ground Lease shall be for a term of 99 years. The base rent for the term of the Ground Lease shall be in an amount equal to \$10.00 payable upon execution of the Ground Lease in cash or by promissory note bearing interest at the applicable federal rate, which amount shall be for both the lease of the land and the acquisition of the existing improvements (subject to Landlord's reversionary interest) and the parties shall allocate such amount between the land and improvements based on an appraisal obtained by Tenant. The Ground Lease will be "triple net" lease, with Tenant being responsible for all costs of maintenance and operations.

4. Exercise of Option. Tenant may exercise this Option by giving Landlord written notice, signed by Tenant, on or before the Expiration Date (or Extended Expiration Date, if applicable), subject to the approval and requirements of the U.S. Department of Housing and Urban Development.

5. Proof of Title. Tenant may, at Tenant's expense, obtain a title commitment for the issuance of a leasehold insurance policy for the Property. Tenant shall deliver a copy of any such commitment to Landlord.

6. Failure to Exercise Option. If Tenant does not exercise this Option in accordance with its terms and before the Expiration Date (or Extended Expiration Date, if applicable), this Option and the rights of Tenant hereunder will automatically and immediately terminate without notice. In the event Tenant fails to exercise this Option, Landlord will retain the sum paid as consideration for this Option.

7. Notices. All notices provided for in this Option will be deemed to have been duly given if and when deposited in the United States mail with proper and sufficient postage affixed, properly addressed to the party for whom intended at the party's address listed above, or when delivered personally to such party.

8. Binding Effect. This Option will be binding upon and inure only to the benefit of the parties to it and of any mutually-agreed successors and/or assigns.

9. Exclusivity. The Landlord shall not offer the Property for sale or lease, or otherwise market the Property, during the term of this Option.

[Signature Page Follows]

In witness whereof, Landlord and Tenant have executed this Option on the date first written above.

LANDLORD:

NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY,  
a Virginia body politic and corporate

By:

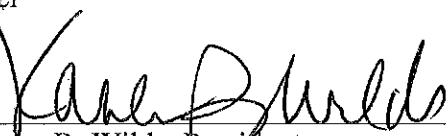
  
\_\_\_\_\_  
Karen R. Wilds, Executive Director

TENANT:

SPRATLEY HOUSE LLC,  
a Virginia limited liability company

By: Spratley House Development Corporation,  
a Virginia corporation,  
its manager

By:

  
\_\_\_\_\_  
Karen R. Wilds, President

**EXHIBIT A**

**Description of the Property**

SPRATLEY HOUSE, VA 36 #321  
Newport News, Virginia

Beginning at a point on the southwesterly corner of the intersection of Madison Avenue with 26<sup>th</sup> Street, it also being the southeasterly corner of former Lot 1, Block 85, Map of Part of the City of Newport News, Virginia: and from the point of beginning so described running S. 26° 23'' E, a distance of 150.00 feet to a point; thence running along an arc with a 25.00 feet radius a distance of 39.27 feet to a point; thence running S. 63° 37' W, a distance of 400 feet to a point; thence running N. 26° 23' W, a distance of 200.00 feet to a point; thence running N. 63° 37' E, a distance of 400 feet to a point; thence running along an arc with a 25.00 foot radius a distance of 39.27 feet to the point of beginning: the property so described containing 1.9452 Acres



**Owner**

Name	N N R & H A,
------	--------------

**Parcel**

Property Location	651 25TH ST
Parcel ID	312010226
Tax Status	City Owned
Neighborhood	C100T105 - WARD 2 - BUILT 1900-1929
Land Area (acreage)	1.94
Land Use and Zoning Details	<a href="#">Click here for additional details.</a> <a href="#">Click here for City of Newport News Assessor's Web Page</a>

**Legal Description**

Parcel/Lot:	LOT 20A
Block:	085
Subdivision	WARD 2
Section:	
Lot Dimensions	VAR

**Values**

Current Land	170,000
Current Improvements	5,292,600
Current Total Assessment	5,462,600

**Values History**

Tax Year	Land	Improvements	Total Assessment
2019	170,000	5,292,600	5,462,600
2018	170,000	5,363,700	5,533,700
2017	170,000	5,467,400	5,637,400
2016	170,000	5,388,300	5,558,300
2015	170,000	5,454,300	5,624,300
2014	170,000	5,260,200	5,430,200
2013	170,000	5,260,200	5,430,200
2012	170,000	5,117,800	5,287,800
2011	170,000	5,117,800	5,287,800

Click button below to see expanded Values History

[Generate Report](#)

**Sales History**

Date	Amount	Buyer	Instrument Number
05/02/1996	\$5,500	N N R & H A	0014301165
10/23/1989	\$19,000	OSHIN ADEWALE V	0012101267
10/18/1984	\$9,000	HAMLIN ARISH LEE	0010851049
09/01/1982	\$0	WILLIS JOAN R	0010530227
11/01/1972	\$5,500	RIDLEY HANNIBAL W	0008100178

**Commercial**

Structure Code	COMMERCIAL
Year Built	1998
Square Footage	47,000
Units (if applicable)	0

**Detached Accessory Structures**

Structure	Area
PAVING ASPHALT	42040 SQ. FT.

**Assessment History**

Assessment Date	Total Tax	Tax Rate	Land	Improvements	Total Assessment
07/01/2018	\$0.00	\$1.22	170,000	5,292,600	5,462,600
07/01/2017	\$0.00	\$1.22	170,000	5,363,700	5,533,700
07/01/2016	\$0.00	\$1.22	170,000	5,467,400	5,637,400
07/01/2015	\$0.00	\$1.22	170,000	5,388,300	5,558,300
07/01/2014	\$0.00	\$1.22	170,000	5,454,300	5,624,300
07/01/2013	\$0.00	\$1.22	170,000	5,260,200	5,430,200
07/01/2012	\$0.00	\$1.10	170,000	5,260,200	5,430,200
07/01/2011	\$0.00	\$1.10	170,000	5,117,800	5,287,800
07/01/2010	\$0.00	\$1.10	170,000	5,117,800	5,287,800

The City of Newport News Treasurer's Office makes every effort to produce and publish the most current and accurate property tax information possible. No warranties, expressed or implied, are provided for the data herein, for its use, or its interpretation. Neither the City of Newport News nor the Treasurer's office assumes any liability associated with use or misuse of this data.

If you believe any data provided is inaccurate, please inform the Treasurer's office by telephone at (757) 926-8731 or by email to the Treasurer by clicking here [treasurer@nnva.gov](mailto:treasurer@nnva.gov).

The tax balances on the online search system are maintained on the City's database. The balances may not reflect adjustments or payments that are in transit. Payment made online may not be reflected in online searches for 6-7 business days.

**WARNING:** Any parcels that have been divided or combined should be investigated by the purchaser to ensure that all taxes and levies are paid on associated parcels.

The below summary reflects Real Estate Taxes, Stormwater Fees, and Liens recorded in the City Treasurer's records. It does not reflect any liens recorded against the property in the Clerk of Courts records.

Note- City code requires that all Deferred tax years and/or the current fiscal year of Elderly Tax Exemption be reinstated if the property is being sold or there is a change in ownership. Please contact the Real Estate Assessor's Office (757) 926-1926 for further instructions.

**Summary of Taxes and Fees Due**

Tax Year	Type	Cycle	Due Date	Taxes	Fees	Penalty	Interest	Deferred Taxes	Elderly Tax Exemption	Balance Due
2019	SW	02	06/05/2019	\$0.00	\$2,275.92	\$0.00	\$0.00	\$0.00	\$0.00	\$2,275.92
Total:				\$0.00	\$2,275.92	\$0.00	\$0.00	\$0.00	\$0.00	\$2,275.92

**Calculate Payoff Amount for PAST Due Balances**

Select Future Payoff Date:

**Taxes/Fees Paid (Last 5 Years)**

F

Architect's Certification  
and Third-Party RESNET  
Rater Certification  
(MANDATORY)



---

## INSTRUCTIONS FOR THE COMPLETION OF APPENDIX F ARCHITECT'S CERTIFICATION

---

(This form must be included in the Application – Tab F)

**NOTE:** If the development includes any combination of **New Construction, Rehabilitation** or Adaptive Reuse, then separate Architect Certifications must be provided for each construction type.

The proper completion of this certification is critical to calculate the average unit square feet and net rentable square feet of each unit type, to document amenity items for which will be awarded, and to calculate certain elements of the efficient use of resources points.

If this certification is not completed correctly there may be loss of points or disqualification of the application to compete for tax credits. **If this development receives an allocation of tax credits and items are not provided as indicated on this certification then VHDA may, at its sole option, require the payment by the Owner of an amount up to 10% of the Total Development Cost (as set forth in the Application) of the development as liquidated damages for such violation or the total loss of credits may result.** Therefore, it is imperative that this certification reflect the true and accurate intent of what will be provided in return for an allocation of tax credits.

Each section of this certification contains instructions on how the information should be provided. For Unit Size Calculations, the Average Unit Square Feet and Net Rentable Square Feet should be listed to two (2) decimal places. The number of units indicated should be only the units for which rent will be collected. For Average Unit Square Feet calculations, the Total Square Feet should equal the Average Unit Square Feet multiplied by the Number of Units/Type. The total at the bottom of the Total Square Feet column should equal item (D) on the same page of the certification, or be within 1 digit due to rounding.

Accessibility certifications on page 6 are for tax credit point categories only and are not to be confused with minimum code requirements.



# Architect's Certification

Name of Development: Spratley House

Address of Development: 651 25th Street Newport News, VA 23607

Name of Owner: Spratley House LLC

The architect signing this document is certifying that all unit and site amenities indicated in this certification are incorporated into the development plans and specifications, and that all products necessary to fulfill these representations are available for these purposes. The architect signing this document also certifies their understanding that both the excel application and the information in the architect certification must be the same and discrepancies between the excel application and architect's certification can result in penalties or even disqualification.

**The individual who certifies this information must initial the pages where indicated, provide the personal information requested and sign on the last page. This certification should not be mailed separately to VHDA but returned to the developer for inclusion in the tax credit application.**

**(Acknowledge and include this instruction sheet as part of the certification)**

Acknowledged: 

Printed Name: Matthew G. Burton AIA, LEED AP

All developments seeking Virginia Low Income Housing Tax Credits are required to meet one of the following as certified by a RESNET Rater:

New Construction - EnergyStar Certification  
The development's design meets the criteria for the EnergyStar certification.

Rehabilitation -30% performance increase over existing, based on HERS Index   
Or Must evidence a HERS Index of 80 or better

Adaptive Reuse - Must evidence a HERS Index of 95 or better.

Plans and Specifications: Required documentation for all properties (new construction, rehabilitation and adaptive reuse)

- 1 A location map with property(ies) clearly defined.
- 2 A site plan showing overall dimensions of main building(s), major site elements (e.g., parking lots and location of existing utilities, and water, sewer, electric, gas in the streets adjacent to the site). Contour lines and elevations are not required. For combination 4% and 9% properties, site plan must show all elements of both properties labeled so that the elements are distinguishable as to 4% and 9%.
- 3 Sketch plans of main building(s) reflecting overall dimensions of:
  - a. Typical floor plan(s) showing apartment types and placement
  - b. Ground floor plan(s) showing common areas;
  - c. Sketch floor plan(s) of typical dwelling unit(s);

A Unit by Unit write up is required for all Rehabilitation properties

**This certification includes two (2) separate calculations of square footage:**

- 1. Average Gross Unit Square Feet:** Measurements Include A Prorata Share of Heated Residential Common Area
- 2. Net Rentable Square Feet:** Measurements *Do Not* Include A Prorata Share of Any Common Area and Reflect All Floor Plans of Each Unit Type (1-BR, 2-BR, etc.) measured from the interior face of the unit perimeter walls

**1. Average Gross Unit Square Feet:** (These measurements impact the scoring of tax credit applications)

For purposes of determining the total residential heated square feet (D), the building(s) were measured from the outside face of exterior walls and the centerline of any party walls. All unheated spaces (B) and nonresidential, (income producing commercial spaces) (C) were subtracted from this measurement. Community rooms, laundry rooms, property management offices and apartments, heated maintenance facilities, and other common space designed to serve residential tenants were not deducted. Based on this procedure, I certify the following calculations in determining the usable heated square feet for the above referenced development:

45,989.09	(A) Total gross floor area in (sq. ft.) for the entire development
0.00	- (B) Unheated floor area (breezeways, balconies, storage)
0.00	- (C) Nonresidential, (commercial income producing) area
45,989.09	= (D) Total residential heated area (sq. ft.) for the development

**INSTRUCTIONS FOR AVERAGE UNIT SQUARE FEET CALCULATIONS:**

Provide the average unit size for each bedroom type, (1 bedroom elderly, 2 bedroom garden, 3 bedroom townhouse, etc.) by adding the total square feet of all the same bedroom types (2 bedroom garden with 1 bath and 2 bedroom garden with 2 baths) and adding the prorated share of heated common residential space and divide by the total number of the same bedroom types (2 bedroom garden). Do not alter any items below.

Unit Types	Average Unit Sq. Ft.*	x	Number of Units/Type	=	Total Square Feet
Supportive Housing	857.71		10		8,577.12
1 Story/EFF-Elderly	0.00		0		0.00
1 Story/1 BR-Elderly	0.00		0		0.00
1 Story/2 BR-Elderly	0.00		0		0.00
Efficiency Elderly	0.00		0		0.00
1 Bedroom Elderly	0.00		0		0.00
2 Bedrooms Elderly	0.00		0		0.00
Efficiency Garden	0.00		0		0.00
1 Bedroom Garden	857.71		32		27,446.80
2 Bedrooms Garden	1,245.65		8		9,965.17
3 Bedrooms Garden	0.00		0		0.00
4 Bedrooms Garden	0.00		0		0.00
2+ Story 2 BR Townhouse	0.00		0		0.00
2+ Story 3 BR Townhouse	0.00		0		0.00
2+ Story 4 BR Townhouse	0.00		0		0.00
Total			50	Total	45,989.09 **

\* Including pro rata share of heated, residential common area. This information should match Structure tab of the excel application

**2. Net Rentable Square Feet \***

For purposes of calculating Net Rentable Square Feet, the units were measured from the face of each unit perimeter wall. The values below therefore indicate the actual square footage of each unit floor plan. (For example, there may be 2 distinct 1-bedroom floor plans, 3 distinct 2-bedroom floor plans, etc. The purpose of this section of the Architect Certification is to document and certify the floor space attributable to residential rental units in the development.)

Percentage of Net Rentable Square Feet Deemed To Be **New Rental Space**

0.00%

	<u>Unit Type</u>	<u>Floor Plan Square Feet</u>	<u>Number of Units This Floor Plan</u>	<u>Total</u>
Mix 1	2 BR - 1 Bath	768	8	6144
Mix 2	1 BR - 1 Bath	538	28	15064
Mix 3	1 BR - 1 Bath	520	4	2080
Mix 4	1 BR - 1 Bath	506	10	5060
Mix 5				0
Mix 6				0
Mix 7				0
Mix 8				0
Mix 9				0
Mix 10				0
Mix 11				0
Mix 12				0
Mix 13				0
Mix 14				0
Mix 15				0
Mix 16				0
Mix 17				0
Mix 18				0
Mix 19				0
Mix 20				0
Mix 21				0
Mix 22				0
Mix 23				0
Mix 24				0
Mix 25				0
Mix 26				0
Mix 27				0
Mix 28				0
Mix 29				0
Mix 30				0
Mix 31				0
Mix 32				0
Mix 33				0
Mix 34				0
Mix 35				0
Mix 36				0
Mix 37				0
Mix 38				0
Mix 39				0
Mix 40				0
Mix 41				0
Mix 42				0
Mix 43				0
Mix 44				0
Mix 45				0
Mix 46				0
Mix 47				0
Mix 48				0
Mix 49				0
Mix 50				0
<b>Totals</b>			<b>50</b>	<b>28348</b>

\*This information should match Unit Details page of the excel application

DEV Name: Spratley House

**Development Amenities:**

I certify that the development's plans and specifications and proposed budget incorporate all items from VHDA's most current Minimum Design and Construction Requirements and the Unit by Unit write up. In the event the plans and specifications do not include VHDA Minimum Design and Construction Requirements and any immediate needs and recommendations from the Physical Needs Assessment, then those requirements still must be met, even though the application is accepted for credits. Please note that this may cause the Application to be ineligible for credits. The Requirements apply to any new, adaptive reuse or rehabilitated development (including those serving elderly and/or physically disabled households).

The Minimum Design & Construction Requirements may be found on VHDA's website at.....

[www.VHDA.com](http://www.VHDA.com)

For any development upon completion of construction/rehabilitation: (non-mandatory amenities)

(Enter TRUE in each box where appropriate)

- TRUE a. The development will have a community/meeting room with a minimum of 749 square feet.
- 81.9 b.i,ii Percentage of brick or other similar low-maintenance material approved by the Authority covering the exterior walls (excluding triangular gable end area, doors, windows, kneewalls, columns, retaining walls, stairwells and any features that are not a part of the façade) Community buildings are to be included in percentage calculations.
- FALSE c. Water expense will be sub-metered (tenant will pay monthly or bi-monthly bill)
- TRUE d. Each bathroom consists only of Water Sense labeled toilets, faucets and showerheads
- TRUE e. Provide necessary infrastructure in all units for high-speed internet/broadband service.
- TRUE f. Free Wi-Fi access will be provided for community room for resident only usage.
- FALSE g. Each Unit is provided free individual high-speed Internet access
- OR
- TRUE h. Each Unit is provided free individual Wi-Fi access
- TRUE i,j. Bath fan wired to primary light with delayed timer, or, continuous exhaust by ERV/DOAS OR  Bath Fan with humidistat
- FALSE k. Fire Prevention - all Ranges equipped with temperature limiting controls
- OR
- TRUE l. Fire Suppression - Cooking surfaces are equipped with fire suppression features
- FALSE m. Rehab only- Each apartment has dedicated space, drain and electrical hookups to accept a permanently installed dehumidification system OR
- FALSE n. All development types- Each Unit is equipped with a permanent dehumidification system
- TRUE o. All interior doors within units are solid core
- TRUE p. At minimum one USB charging port in each Kitchen, Living room and all bedrooms
- TRUE q. All Kitchen light fixtures are LED and meet MDCR lighting guidelines
- TRUE r. Shelf or ledge outside each primary apartment entry door located in an interior hallway
- FALSE s. New Construction only- Each unit to have balcony or patios minimum depth 5' clear from face of building. Minimum 30 square feet.

DEV Name: Spratley House



For all developments exclusively serving elderly tenants upon completion of construction/rehabilitation:  
(optional point items)

- TRUE a. All cooking ranges will have front controls
- TRUE b. All full bathrooms will have an independent or supplemental heat source
- TRUE c. All entrance doors have two eye viewers, one at 42" and the other at standard height

For all rehabilitation and adaptive reuse developments, upon completion of construction/rehabilitation:  
(optional point items)

- FALSE The structure is listed individually in the National Register of Historic Places or is located in a registered historic district and certified by the Secretary of the Interior as being of historical significance to the district, and the rehabilitation will **be completed in such a manner as to be eligible for historic rehabilitation tax credits.**

**Building Structure:**

Number of Stories

- Low-Rise** (1-5 stories with any structural elements being wood frame construction)
- Mid-Rise** (5-7 stories with no structural elements being wood frame construction)
- High-Rise** (8 or more stories with no structural elements being wood frame construction)

**Accessibility:**

I certify that the development plans and specifications meet all requirements of the federal Americans with Disabilities Act and Fair Housing Act (if applicable).

I certify that the development plans and specifications meet all requirements of HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act. Complying units must be "permanently accessible," rather than to "adaptable" standards. Please reference Uniform Federal Accessibility Standards(UFAS) for more particular information.


Check one or none of the following point categories, as appropriate:

- Any development in which (i) the greater of 5 units or 10% of the total # of units will be assisted by HUD project-based vouchers or another form of documented and binding federal, state or locality project-based rent subsidies in order to ensure occupancy by extremely low-income persons; and (ii) the greater of 5 or 10% of the units will conform to HUD regulations interpreting accessibility requirements of Section 504 of the Rehabilitation Act.  
(All of the units described in (ii) above must include roll-in showers (must contain permanent grab bars and fixed seats), roll under sinks, and front controls for ranges unless agreed to by the Authority prior to the applicant's submission of its application.)  
**60 pts.**
- Any development in which the greater of 5 units or 10% of the total # of units (i) have rents within HUD's Housing Choice Voucher payment standard; (ii) conform to HUD regulations interpreting accessibility requirements of Section 504 of the Rehabilitation Act  
**30 pts.**
- Any development in which **five percent (5%)** of the total # of units (i) conform to HUD regulations interpreting accessibility requirements of Section 504 of the Rehabilitation Act  
**15 pts.**

For any accessibility option elected above, all common space must also conform to accessibility requirements of HUD Section 504 regulations.

DEV Name: Spratley House

As architect of record for the above referenced development, the above certifications are correct to the best of my knowledge.

Signed:   
Printed Name: Matthew G. Burton, AIA, LEED AP  
Title: Principal  
Virginia Registration #: 11104  
Phone: (757) 644-4462  
Date: 3/8/2019

**NOTE TO ARCHITECT: If representations in plans and specifications and/or any information certified in this certification is misrepresented then the architect may be penalized. Any change in this form may result in disqualification or a reduction of points under the scoring system. If you have any questions, please call JD Bondurant at VHDA (804) 343-5725.**

**Return this certification to the developer for inclusion in the tax credit application package.**

DEV Name: Spratley House



**Appendix F  
VHDA's Universal Design Certification**

**TRUE** Units in the development will meet VHDA's **Universal Design Guidelines**.  
Before issuance of IRS Form 8609, applicant will provide documentation to VHDA as evidence that such units meet VHDA's Universal Design guidelines.

The number of rental units that will meet these standards: 50

The total number of rental units in this development: 50

**NOTE:** For Elderly Developments, 100% of the units in the development must meet the Universal Design standards in order to qualify for points.

For Family Developments, points are awarded based on a percentage of the number of units meeting the Universal Design standards.

For the tax credit applicant to qualify for points associated with Universal Design, the architect of record must be on VHDA's list of Universal Design certified architects. VHDA Universal Design Certifications are only valid for 2019 applications if certification date is after January 1, 2014

All tax credit applications which include amenity points for providing VHDA Universally Designed dwelling units must include plans that clearly identify the following items in the format found on vhma.com or no points will be awarded:

- Overall building plans identifying the location of Universal Design dwelling units, and the means of vertical transportation (if applicable), along the accessible route (Minimum scale 1/8"=1'-0"). Include a legend and Universal Design General Notes section. Anything other than a fully handicap accessible elevator must have been presented to and approved by VHDA for this project at least two weeks prior to submission of reservation application.
- Site plan and building plans identifying accessible pedestrian routes from all Universal Design units to accessible parking, leasing office, community room, laundry facility, mailboxes, garbage collection areas and public transportation pick up areas. Architect must identify running slope and cross slope of route, and consider any obstructions. Include required number of accessible parking spaces, a legend for the accessible route, and a Universal Design general notes section.
- Enlarged Universal Design unit plans (Minimum scale 1/4"=1'-0") identifying clearances and all Essential Elements

Signed: Matthew G. Burton

Printed Name: Matthew G. Burton AIA, LEED AP  
**Architect of Record**  
**(same individual as on page 7)**

Date: 3/8/19



Appendix F  
RESNET Rater Certification of Development Plans

I certify that the development's plans and specifications incorporate all items for the required baseline energy performance as indicated in Virginia's Qualified Allocation Plan (QAP).

In the event the plans and specifications do not include requirements to meet the QAP baseline energy performance, then those requirements still must be met, even though the application is accepted for credits.

\*\*\*Please note that this may cause the Application to be ineligible for credits. The Requirements apply to any new, adaptive reuse or rehabilitated development (including those serving elderly and/or physically disabled households).

**In addition provide HERS rating documentation as specified in the manual**

**New Construction - EnergyStar Certification**  
The development's design meets the criteria for the EnergyStar certification.  
Rater understands that before issuance of IRS Form 8609, applicant will obtain and provide EnergyStar Certification to VHDA.

**Rehabilitation -30% performance increase over existing, based on HERS Index**  
**Or Must evidence a HERS Index of 80 or better**  
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to VHDA of energy performance.

**Adaptive Reuse - Must evidence a HERS Index of 95 or better.**  
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to VHDA of energy performance.

**Additional Optional Certifications**

I certify that the development's plans and specifications incorporate all items for the certification as indicated below, and I am a certified verifier of said certification. In the event the plans and specifications do not include requirements to obtain the certification, then those requirements still must be met, even though the application is accepted for credits. Rater understands that before issuance of IRS Form 8609, applicant will obtain and provide Certification to VHDA.

**Earthcraft Certification** - The development's design meets the criteria to obtain Viridiant's EarthCraft Multifamily program Gold certification or higher

**LEED Certification** - The development's design meets the criteria for the U.S. Green Building Council LEED green building certification.

**National Green Building Standard (NGBS)** - The development's design meets the criteria for meeting the NGBS Silver or higher standards to obtain certification

**Enterprise Green Communities** - The development's design meets the criteria for meeting the requirements as stated in the Enterprise Green Communities Criteria for this developments construction type to obtain certification.

**\*\*\*Please Note Raters must have completed 500+ ratings in order to certify this form**

Signed: Austin Walther

Date: 3/7/19

Printed Name: Austin Walther

RESNET Rater

Resnet Provider Agency  
Viridiant

Signature [Signature]

Provider Contact and Phone/Email Sean Even-Shanley, sean.evensen-shanley@viridiant.org

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2017-01-03  
 Registry ID: Unregistered  
 Ekotrope ID: zvwoXA6v

### HERS® Index Score:

# 80

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$182

\*Relative to an average U.S. home

### Home:

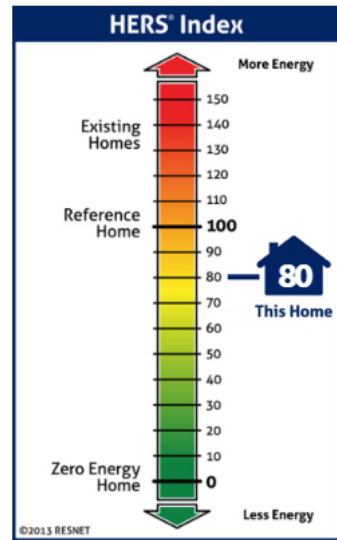
651 25th Street , Newport News , VA 23607

### Builder:

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	1.9
Cooling	1.4
Hot Water	10.3
Lights/Appliances	14.3
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>28.0</b>

**This home meets or exceeds the criteria of the following:**



### Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	Unit D - 1BR (bottom floor) Post
Community:	Rehab of Spratley House
Conditioned Floor Area:	570 sq. ft.
Number of Bedrooms:	1
Primary Heating System:	Ground Source Heat Pump • Electric • 5.1 COP
Primary Cooling System:	Ground Source Heat Pump • Electric • 15.5 EER
Primary Water Heating:	Water Heater • Natural Gas • 0.96 Energy Factor
House Tightness:	7 ACH50
Ventilation:	50.0 CFM • 131.0 Watts
Duct Leakage to Outside:	45.6 CFM25 (8 / 100 s.f.)
Above Grade Walls:	R-7
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.37, SHGC: 0.32
Foundation Walls:	N/A

### Rating Completed by:

**Energy Rater:** Austin Walther  
 RESNET ID: 1092776

**Rating Company:** Viridiant  
 1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
 1431 W. Main Street, Richmond, VA 23220



Austin Walther, Certified Energy Rater  
 Digitally signed: 3/7/19 at 8:53 AM

# Draft Internet Security Plan

## Network Security:

### 1. Purpose

This standard specifies the technical requirements that wireless infrastructure devices must satisfy to connect to a (Owner) network. Only those wireless infrastructure devices that meet the requirements specified in this standard or are granted an exception by the InfoSec Team are approved for connectivity to the Owner's network.

Network devices including, but not limited to, hubs, routers, switches, firewalls, remote access devices, modems, or wireless access points, must be installed, supported, and maintained by an Information Security (Infosec) approved support organization.

### 2. Scope

All employees, contractors, consultants, temporary and other workers at Owner and its subsidiaries/affiliates, including all personnel that maintain a wireless infrastructure device on behalf of the Owner, must comply with this standard. This standard applies to wireless devices that make a connection the network and all wireless infrastructure devices that provide wireless connectivity to the network. Infosec must approve exceptions to this standard in advance.

### 3. Standard

#### 3.1 General Requirements:

All wireless infrastructure devices that connect to the Owner's network or provide access to the Owner Confidential, Owner Highly Confidential, or Owner Restricted information must:

- Use Extensible Authentication Protocol-Fast Authentication via Secure Tunneling (EAP-FAST), Protected Extensible Authentication Protocol (PEAP), or Extensible Authentication Protocol-Translation Layer Security (EAP-TLS) as the authentication protocol.
- Use Temporal Key Integrity Protocol (TKIP) or Advanced Encryption System (AES) protocols with a minimum key length of 128 bits.
- All Bluetooth devices must use Secure Simple Pairing with encryption enabled.4.2Lab and Isolated Wireless Device Requirements
- Lab device Service Set Identifier (SSID) must be different from the Owner's production device SSID.
- Broadcast of lab device SSID must be disabled.4.3 Home Wireless Device Requirements  
All home wireless infrastructure devices that provide direct access to the Owner's network, such as those behind Enterprise Teleworker (ECT) or hardware VPN, must adhere to the following:
- Enable WiFi Protected Access Pre-shared Key (WPA-PSK), EAP-FAST, PEAP, or EAP-TLS

- When enabling WPA-PSK, configure a complex shared secret key (at least 20 characters) on the wireless client and the wireless access point
- Disable broadcast of SSID
- Change the default SSID name
- Change the default login and password

## 4. Policy Compliance

### 4.1 Compliance Measurement

The Infosec team will verify compliance to this policy through various methods, including but not limited to, periodic walk-thrus, video monitoring, business tool reports, internal and external audits, and feedback to the policy owner.

### 4.2 Exceptions

Any exception to the policy must be approved by the Infosec Team in advance.

### 4.3 Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

## Equipment

### 1. Purpose

The purpose of this policy is to outline the acceptable use of computer equipment at (Owner). These rules are in place to protect the employee and Owner. Inappropriate use exposes the Owner to risks including virus attacks, compromise of network systems and services, and legal issues.

### 2. Scope

This policy applies to the use of information, electronic and computing devices, and network resources to conduct the Owner's business or interact with internal networks and business systems, whether owned or leased by Owner, the employee, or a third party. All employees, contractors, consultants, temporary, and other workers at Owner and its subsidiaries are responsible for exercising good judgment regarding appropriate use of information, electronic devices, and network resources in accordance with Owner's policies and standards, and local laws and regulation. Exceptions to this policy are documented in section 5.2.

This policy applies to employees, contractors, consultants, temporaries, and other workers at Owner including all personnel affiliated with third parties. This policy applies to all equipment that is owned or leased by Owner.

### 3. Policy

#### 3.1 General Use and Ownership

3.1.1 Owner proprietary information stored on electronic and computing devices whether owned or leased by Owner, the employee or a third party, remains the sole property of the Owner. You must ensure through legal or technical means that proprietary information is protected in accordance with the Data Protection Standard.

3.1.2 You have a responsibility to promptly report the theft, loss or unauthorized disclosure of Owner proprietary information.

3.1.3 You may access, use or share Owner proprietary information only to the extent it is authorized and necessary to fulfill your assigned job duties.

3.1.4 Employees are responsible for exercising good judgment regarding the reasonableness of personal use. Individual departments are responsible for creating guidelines concerning personal use of Internet/Intranet/Extranet systems. In the absence of such policies, employees should be guided by departmental policies on personal use, and if there is any uncertainty, employees should consult their supervisor or manager.

3.1.5 For security and network maintenance purposes, authorized individuals within Owner may monitor equipment, systems and network traffic at any time, per Infosec's Audit Policy.

3.1.6 Owner reserves the right to audit networks and systems on a periodic basis to ensure compliance with this policy.

#### 3.2 Security and Proprietary Information

3.2.1 All mobile and computing devices that connect to the internal network must comply with the Minimum Access Policy.

3.2.2 System level and user level passwords must comply with the Password Policy. Providing access to another individual, either deliberately or through failure to secure its access, is prohibited.

3.2.3 All computing devices must be secured with a password-protected screensaver with the automatic activation feature set to 10 minutes or less. You must lock the screen or log off when the device is unattended.

3.2.4 Postings by employees from an Owner email address to newsgroups should contain a disclaimer stating that the opinions expressed are strictly their own and not necessarily those of the Owner, unless posting is in the course of business duties.



3.2.5 Employees must use extreme caution when opening e-mail attachments received from unknown senders, which may contain malware.

### 3.3 Unacceptable Use

The following activities are, in general, prohibited. Employees may be exempted from these restrictions during the course of their legitimate job responsibilities (e.g., systems administration staff may have a need to disable the network access of a host if that host is disrupting production services).

Under no circumstances is an employee of Owner authorized to engage in any activity that is illegal under local, state, federal or international law while utilizing Owner-owned resources.

The lists below are by no means exhaustive, but attempt to provide a framework for activities which fall into the category of unacceptable use.

#### 3.3.1 System and Network Activities

The following activities are strictly prohibited, with no exceptions:

- Violations of the rights of any person or company protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of "pirated" or other software products that are not appropriately licensed for use by Owner.
- Unauthorized copying of copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and the installation of any copyrighted software for which Owner or the end user does not have an active license is strictly prohibited.
- Accessing data, a server or an account for any purpose other than conducting Owner's business, even if you have authorized access, is prohibited.
- Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. The appropriate management should be consulted prior to export of any material that is in question.
- Introduction of malicious programs into the network or server (e.g., viruses, worms, Trojan horses, e-mail bombs, etc.).
- 6. Revealing your account password to others or allowing use of your account by others. This includes family and other household members when work is being done at home.
- Using an Owner computing asset to actively engage in procuring or transmitting material that is in violation of sexual harassment or hostile workplace laws in the user's local jurisdiction.
- Making fraudulent offers of products, items, or services originating from any Owner account.

- Making statements about warranty, expressly or implied, unless it is a part of normal job duties.
- Effecting security breaches or disruptions of network communication. Security breaches include, but are not limited to, accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorized to access, unless these duties are within the scope of regular duties. For purposes of this section, "disruption" includes, but is not limited to, network sniffing, pinged floods, packet spoofing, denial of service, and forged routing information for malicious purposes. 11. Port scanning or security scanning is expressly prohibited unless prior notification to Infosec is made.
- Executing any form of network monitoring which will intercept data not intended for the employee's host, unless this activity is a part of the employee's normal job/duty.
- Circumventing user authentication or security of any host, network or account.
- Introducing honeypots, honeynets, or similar technology on the <Company Name> network.
- Interfering with or denying service to any user other than the employee's host (for example, denial of service attack).
- Using any program/script/command, or sending messages of any kind, with the intent to interfere with, or disable, a user's terminal session, via any means, locally or via the Internet/Intranet/Extranet.
- Providing information about, or lists of, Owner's employees to parties outside Owner.

### 3.3.2 Email and Communication Activities

When using company resources to access and use the Internet, users must realize they represent the company. Whenever employees state an affiliation to the company, they must also clearly indicate that "the opinions expressed are my own and not necessarily those of the company". Questions may be addressed to the IT Department

- Sending unsolicited email messages, including the sending of "junk mail" or other advertising material to individuals who did not specifically request such material (email spam).
- Any form of harassment via email, telephone or paging, whether through language, frequency, or size of messages.
- Unauthorized use, or forging, of email header information.
- Solicitation of email for any other email address, other than that of the poster's account, with the intent to harass or to collect replies.
- Creating or forwarding "chain letters", "Ponzi" or other "pyramid" schemes of any type.
- Use of unsolicited email originating from within Owner's networks of other Internet/Intranet/Extranet service providers on behalf of, or to advertise, any service hosted by Owner or connected via Owner's network.
- Posting the same or similar non-business-related messages to large numbers of Usenet newsgroups (newsgroup spam).

### 3.3.3 Blogging and Social Media

1. Blogging by employees, whether using Owner's property and systems or personal computer systems, is also subject to the terms and restrictions set forth in this Policy. Limited and occasional use of Owner's systems to engage in blogging is acceptable, provided that it is done in a professional and responsible manner, does not otherwise violate Owner's policy, is not detrimental to Owner's best interests, and does not interfere with an employee's regular work duties. Blogging from Owner's systems is also subject to monitoring.
2. Owner's Confidential Information policy also applies to blogging. As such, Employees are prohibited from revealing any Owner confidential or proprietary information, trade secrets or any other material covered by Owner's Confidential Information policy when engaged in blogging.
3. Employees shall not engage in any blogging that may harm or tarnish the image, reputation and/or goodwill of Owner and/or any of its employees. Employees are also prohibited from making any discriminatory, disparaging, defamatory or harassing when blogging or otherwise engaging in any conduct prohibited by Owner's Non-Discrimination and Anti-Harassment policy.
4. Employees may also not attribute personal statements, opinions or beliefs to Owner when engaged in blogging. If an employee is expressing his other beliefs and/or opinions in blogs, the employee may not, expressly or implicitly, represent themselves as an employee or representative of Owner's Employees assume any and all risk associated with blogging.
5. Apart from following all laws pertaining to the handling and disclosure of copyrighted or export controlled materials, Owner's trademarks, logos and any other Owner intellectual property may also not be used in connection with any blogging activity

## 4. Policy Compliance

### 4.1 Compliance Measurement

The Infosecteam will verify compliance to this policy through various methods, including but not limited to, business tool reports, internal and external audits, and feedback to the policy owner.

### 4.2 Exceptions

Any exception to the policy must be approved by the Infosecteam in advance.

### 4.3 Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

## Internet Acceptable Use Policy (AUP)

All users of Internet services agree to and must comply with this Acceptable Use Policy (AUP). does not exercise editorial control or review over the content of any Web site, electronic mail transmission, paper printout, newsgroup, or other material created or accessible over or through the Services. However, may remove, block, filter, or restrict by any other means any materials that, in sole discretion, may be illegal, may subject to liability, or which may violate this AUP. may cooperate with legal authorities and/or third parties in the investigation of any suspected or alleged crime or civil wrong. Violation of this AUP may result in the suspension or termination of either access to the Services and/or account or other actions as detailed below.

The following constitute violations of this AUP (this list is intended to be illustrative and not exhaustive; other uses may violate the AUP and remains the sole and final arbiter of acceptable usage of its Services):

- **Illegal use:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that, intentionally or unintentionally, violates any applicable local, state, national or international law, or any rules or regulations promulgated there under.
- **Harm to minors:** Using the Services to harm, or attempt to harm, minors in any way.
- **Threats:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that threatens or encourages bodily harm or destruction of property.
- **Harassment:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that harasses another.
- **Fraudulent activity:** Using the Services to make fraudulent offers to sell or buy products, items, or services or to advance any type of financial scam such as "pyramid schemes", "Ponzi schemes", unregistered sales of securities, securities fraud and "chain letters."
- **Forgery or impersonation:** Adding, removing or modifying identifying network, message, or article header information in an effort to deceive or mislead is prohibited. Attempting to impersonate any person by using forged headers or other identifying information is prohibited. The use of anonymous remailers or nicknames does not constitute impersonation.
- **Unsolicited commercial email/Unsolicited bulk email:** Using the Services to transmit any unsolicited commercial email or unsolicited bulk email. Activities that have the effect of facilitating unsolicited commercial email or unsolicited bulk email, whether or not that email is commercial in nature, are prohibited. Using deliberately misleading headers in e-mails sent to multiple parties is prohibited.
- **Unauthorized access:** Using the Services to access, or to attempt to access, the accounts of others, or to penetrate, or attempt to penetrate, security measures of 's or another entity's computer software or hardware, electronic communications system, or telecommunications system, whether or not the intrusion results in disruption of service or the corruption or loss of data.
- **Copyright or trademark infringement:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that infringes any copyright, trademark, patent, trade secret, or other proprietary rights of any third party, including, but not limited to, the unauthorized copying of copyrighted material, the digitization and distribution of photographs from magazines, books, or other copyrighted sources, and the unauthorized transmittal of copyrighted software.
- **Collection of personal data:** Using the Services to collect, or attempt to collect, personal information about third parties without their knowledge or consent.
- **Reselling the services:** Reselling the Services without 's authorization.

- **Network disruptions and unfriendly activity:** Using the Services for any activity which adversely affects the ability of other people or systems to use Services or the Internet. This includes excessive consumption of network or system resources whether intentional or unintentional. This also includes "denial of service" (DoS) attacks against another network host or individual user. Interference with or disruption of other network users, network services or network equipment is prohibited. It is the users's responsibility to ensure that their system is configured, operated, and used in a manner to avoid excessive consumption of network or system resources. It is the users's responsibility to ensure that their system is configured in a secure manner. A user may not, through action or inaction, allow others to use their system for illegal or inappropriate actions. A user may not permit their system, through action or inaction, to be configured in such a way that gives a third party the capability to use their system in an illegal or inappropriate manner.
- **High Volume, Server Hosting, and non-traditional end user activities:** The Services are intended for an end user's periodic active use of email, instant messaging, browsing the World Wide Web, and other typical end user activities. High volume data transfers, especially sustained high volume data transfers, are prohibited. Hosting a web server, IRC server, or any other server is prohibited. Accordingly, maintains the right to terminate any user's connection following the detection of any high volume data transfer, server hosting, or non-traditional end user activity as determined by .

requests that anyone who believes that there is a violation of this AUP direct the information to the property manager.

If available, please provide the following information:

- The IP address used to commit the alleged violation
- The date and time of the alleged violation, including the time zone or offset from GMT
- Evidence of the alleged violation

When reporting an issue regarding unsolicited email please provide a copy of the email messages with full headers which typically provides all of the above data. Other situations will require different methods of providing the necessary information.

may take any one or more of the following actions, or other actions not listed, at 's sole discretion in response to complaints:

- Issue warnings: written or verbal
- Terminate the user's access
- Bill the user for administrative costs and/or reactivation charges
- Bring legal action to enjoin violations and/or to collect damages, if any, caused by violations.

reserves the right to revise, amend, or modify this AUP, and our other policies and agreements at any time and in any manner.

provides public access to the Internet. There are potentially serious security issues with any computer connected to the Internet without the appropriate protection. These security issues range from viruses, worms and other programs that can damage the user's computer to attacks on the computer by unauthorized or unwanted third parties. These parties, known commonly as "hackers" may attempt to penetrate the user's computer and download information from the user's computer. If the user has unprotected files on the computer, these files may be visible to hackers on the Internet, potentially

including parties with criminal intent. Hackers also exploit vulnerabilities in operating systems to cause malicious damage to a user's computer or even a whole company's network, up to and including the destruction or deletion of files or the re-formatting of drives. It is recommended that the user uses either a personal firewall or Virtual Private Network systems to protect this information.            advises the user that he/she should consult a security expert to determine whether there are any potential security holes in their computer's configuration.

SPECIFICALLY DISCLAIMS ANY LIABILITY FOR UNAUTHORIZED THIRD-PARTY SECURITY BREACHES OR THE RESULTS THEREOF.            PROVIDES ACCESS TO THE INTERNET AND THE NETWORK ON AN "AS IS" BASIS WITH ALL RISKS INHERENT IN SUCH ACCESS. BY CONNECTING TO THE            NETWORK, THE USER ACKNOWLEDGES THE RISKS ASSOCIATED WITH PUBLIC ACCESS TO THE INTERNET OR DOCUMENT PRINTING AND HEREBY RELEASES AND INDEMNIFIES            FROM ANY DAMAGES THAT MIGHT OCCUR.

Acknowledgment of Resident:

Signature: \_\_\_\_\_

Dated: \_\_\_\_\_

Printed: \_\_\_\_\_



The Internet might seem intimidating at first - a vast global communications network with billions of webpages. But in this lesson, we simplify and explain the basics about the Internet using a conversational non-technical style to make it understandable, useful, and enjoyable. There's no reason to be left out!

# Basic Internet Skills

Microsoft Windows PCs

---

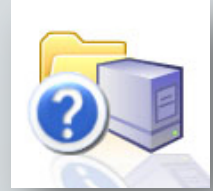
[www.NetLiteracy.org](http://www.NetLiteracy.org)





## What the Internet is:

The Internet, the web, cyberspace, and the 'net are all terms that generally mean the same thing, in this case, we will call it the Internet. The Internet is a **NET**work of computers, all over the world, **INTER**connected to each other and available to any individual. The Internet is used for many different activities including shopping, communicating, learning, and distributing information.



Unfortunately, you cannot open a door to a house and walk outside to “go into the Internet.” Computers are a primary tool you’ll utilize to use the Internet. The Internet is somewhat difficult to describe because you cannot touch it (in a way similar to software). It seems invisible—only computers can see it – and you can see it through a computer. Sometimes the Internet is best described in comparison to a library. The Internet is made up of many individual components, just like a library is made up of many books. The Internet’s components have even more individual parts, just like a book has pages.

## Changing Constantly:

The Internet is a useful source of information about news, sports, and entertainment because it changes along with the minute-by-minute events that occur in the world brings. This might seem confusing. However, it is not



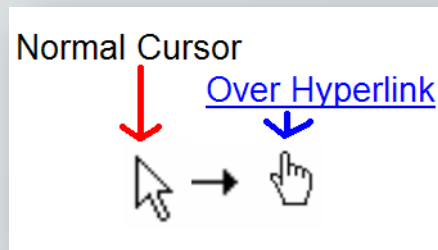
necessarily so—the Internet can be thought of as a “dynamic” living organism that changes and adapts to its environment. The Internet changes very quickly—just watching a 24 hour news channel on the television. The content on some websites is updated every few seconds.



## Purpose / Content of Websites

On the Internet, there are many websites. These are usually made for one specific purpose; they range from informing you about the news to teaching you how to cook.

The best analogy of a website is a comparison to an entire book or an entire newspaper. Websites are made up of “pages,” just like newspapers and books.



Websites are usually independent, however sometimes they are linked together by hyperlinks (also called links) that allow you to jump from one website to another website. These links allow you to “turn the page,” and move around on the Internet. They are usually underlined and **blue**, however they can be any color and or even a picture. How

do you identify a hyperlink? When your mouse hovers over a hyperlink, the arrow changes into a pointing hand.

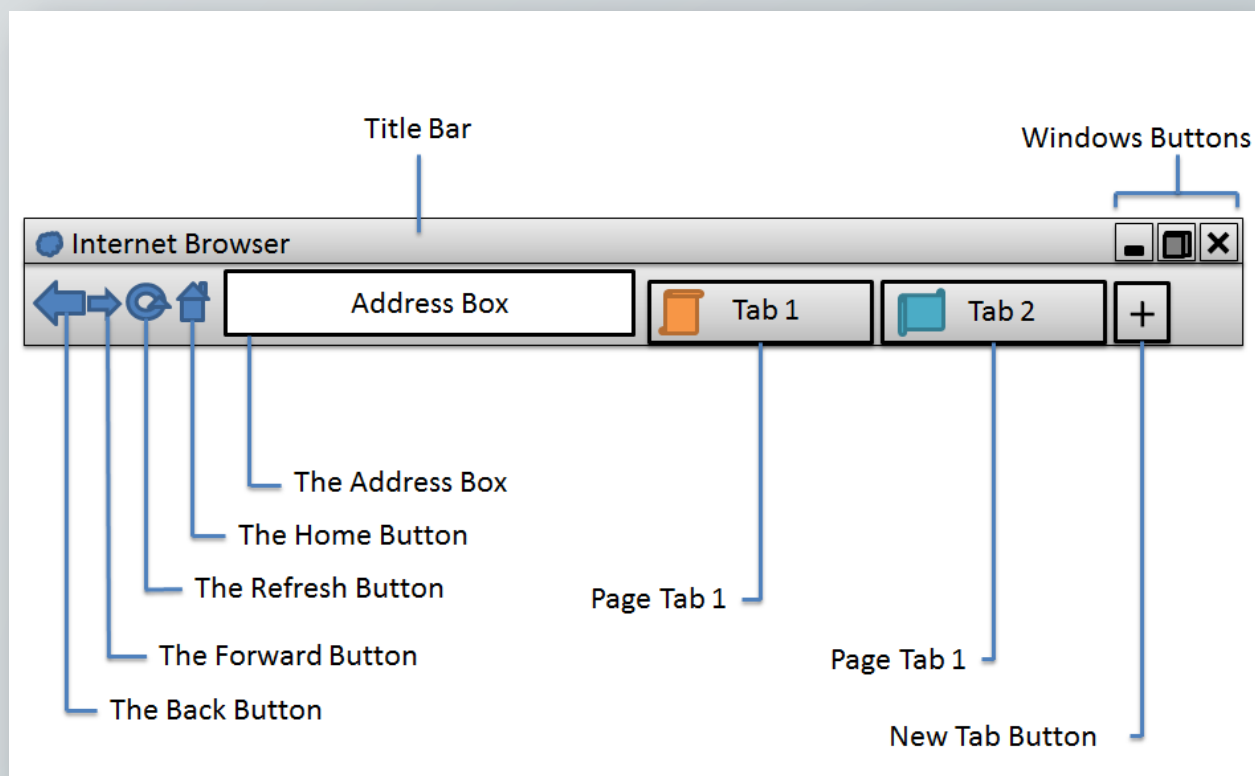
Webpages are what you see and read on the Internet. They are primarily made up of text (words), digital media (pictures, movies, and music), and hyperlinks. The Internet, unlike a book or newspaper, is in no order, and can seem slightly confusing at first. However, there are tools on the Internet that help organize it and will allow you to use it comfortably and easily.





## Applications to Access the Internet

On the computer, you use a program to see the Internet. The program is called a web browser — you “browse” the web with it. Some common brands of web browsers include Internet Explorer, Firefox, and Chrome. They serve the same purpose, navigating the internet, and also have many of the same buttons. For instance, we will take a look at a generic browser’s buttons. You will use these buttons to navigate around the Internet. Sometimes extra buttons might be added, while other times, buttons might have been moved around on the toolbar. If you cannot find a button, just ask someone (they seem to be pretty tricky when they hide from you).



## The Buttons

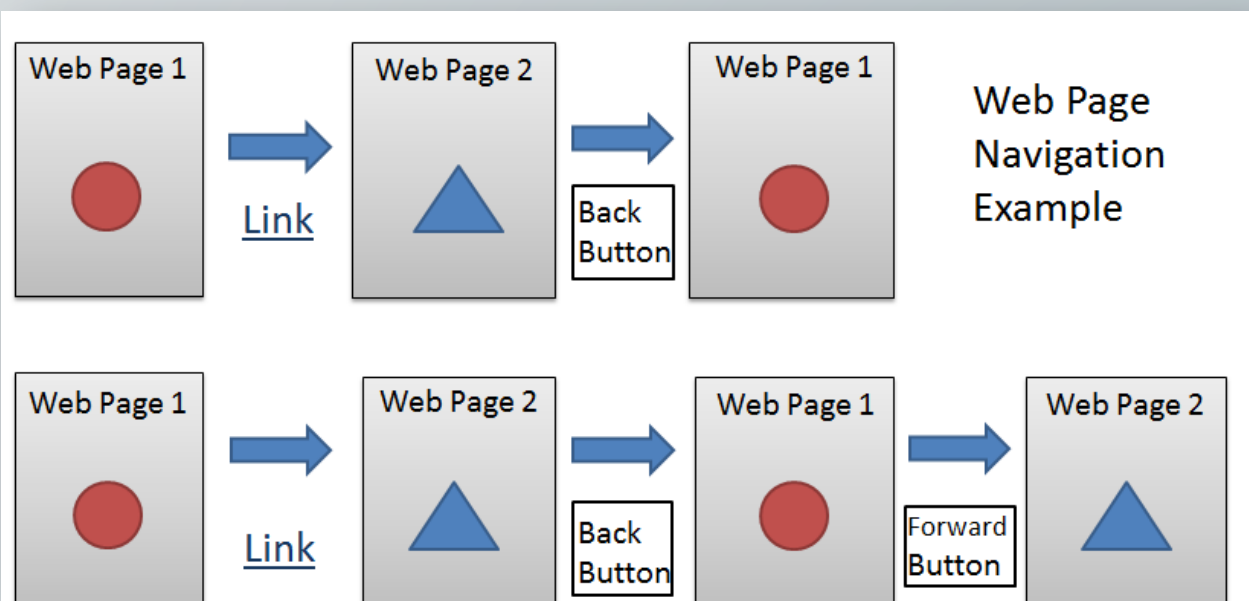
**The Back Button** – This button allows you to return to the last webpage that you last visited. It is most often used if you accidentally click on a link and wish to return to your previous page.

**The Forward Button** – If you clicked the back button, you don't have to hunt for the hyperlink on the webpage to return to the previous webpage. Just click on the forward button to return to the previous page that you were at before you pressed the back button.

Note: If the forward button is "grayed out" and when you click on it, nothing happens, this means that it is disabled.

**The Refresh Button** – This button is useful if you are looking at pages that contain content that is updated more frequently, such as the news, sports scores, or the weather. By clicking on the refresh button, the web page loads again, and is updated with the latest information.

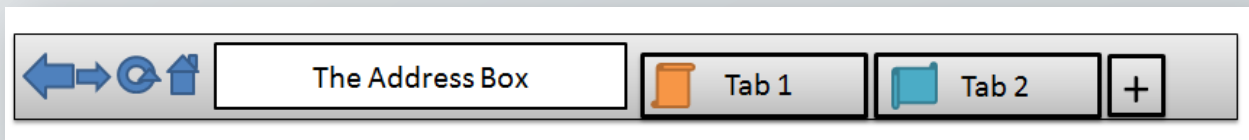
**The Home Button** - When you open your web browser, the first website that is displayed is your **homepage**. You can change your homepage to fit your preferences. When you click on the home button, it takes you to your homepage.





## The Address Box

**The Address Box** – This displays the URL of a webpage. URL stands for Universal Resource Locator, which is a unique address for each webpage – just like your own home’s address is unique. You can type a specific URL into the address box by left clicking in the box once and then typing. Although URLs are all different, they share common characteristics. The basic diagram of a URL is shown below.



# http://www.google.com

**Http://** - Begins most web addresses. Tells the internet browser what protocol to use.

**www**– Stands for “World Wide Web.” Most web addresses have it although it is not necessary. It indicates a web page.

**.(dot)**- Separates parts of the address so it does not all run together and the computer can distinguish the different parts of the address.

**Domain name**– Example: “Google” – A series of numbers, letters or hyphens “-” that identifies the owner of the address.

**.” (dot)**- See previous Definition

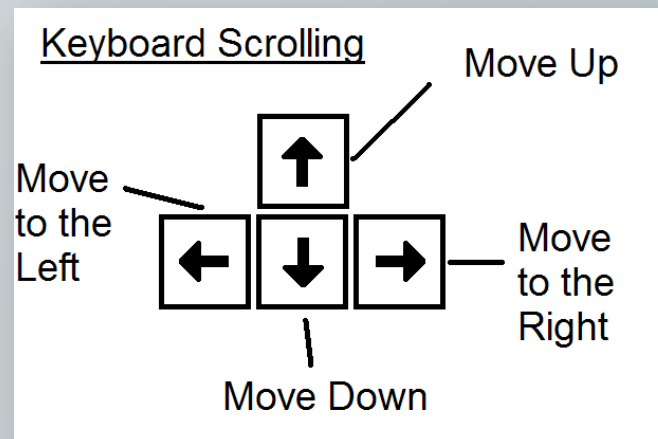
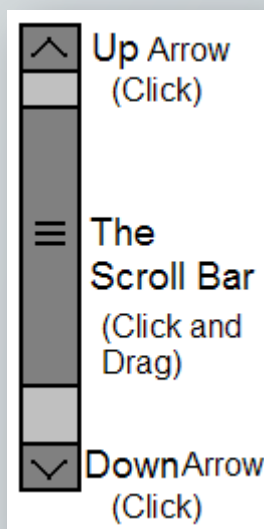
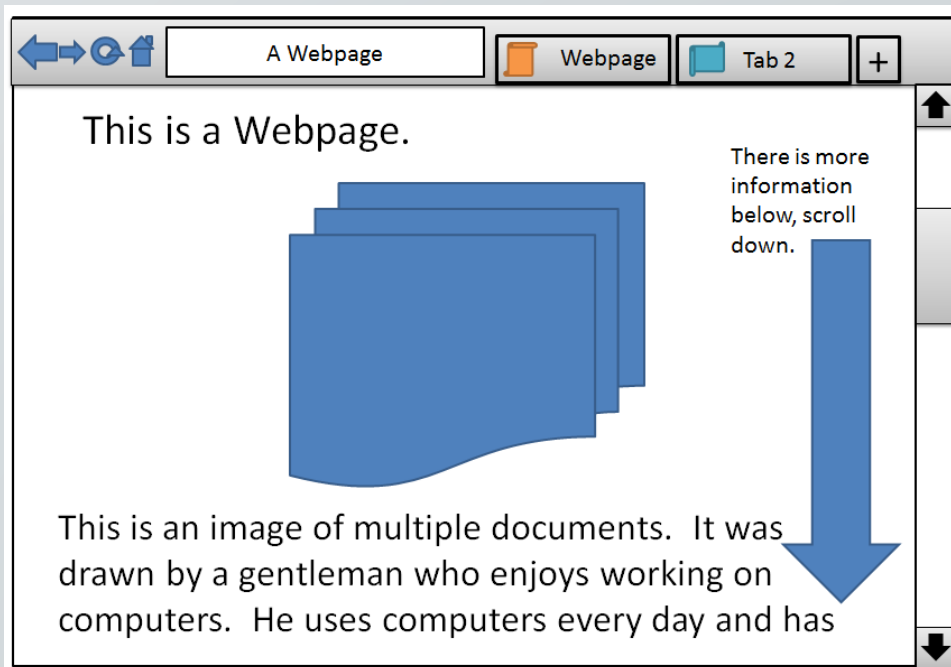
**The Domain**- At the end of a web address. Tells what type of web page you are viewing.  
 .com – Commercial  
 .org – Non-For-Profit Organization  
 .edu – Education (Colleges/Universities)  
 .net – Internet Related  
 .mil – US Military  
 .gov – US Government  
 .us – United States  
 .uk – United Kingdom

Important: Make sure you spell everything correctly. Addresses are very specific and if typed incorrectly, they will direct you to the wrong website. If this happens, simply use your back arrow to return to the previous webpage.



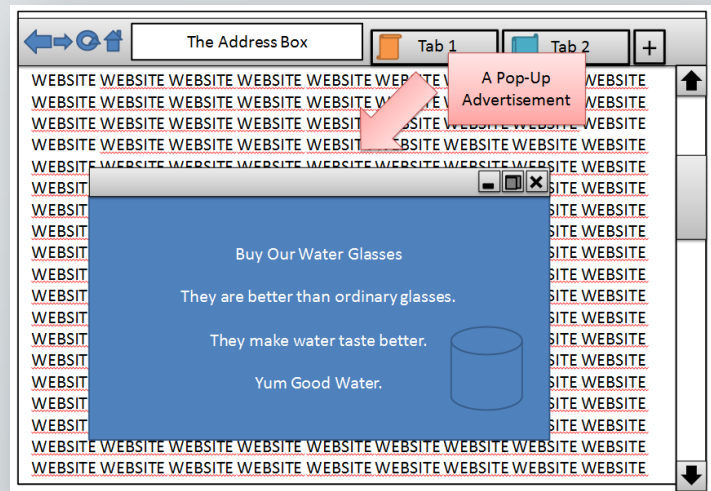
## Scrolling on Webpages

One thing to keep in mind when viewing the Internet is that a bunch of information might be displayed on a webpage, however, only a small portion can be seen immediately when you load the webpage. Thus, it is important to look at your scroll bars to the right and bottom to see if there is more information you are missing. If you are tired of using the mouse to scroll up and down, try using the arrow keys.



## Pop Up Advertisements

On the Internet, there are things that help you and things that can make you aggravated. One aggravation is the **Pop Up Ad**. These advertisements are created by aggressive marketers who want you to see their “amazing” product and buy it. Pop ups create their own window and usually appear on top of the information that you are interested in. If you click on a pop up ad, it will take you away from the information you are looking at. If you see a pop up ad, click the X at the top right of the window to close it.



Another type of advertisement is the **Banner**. Banner ads show up at the top of a website or on the side of a website. As a beginner, it's generally wiser to ignore banner advertisements unless you are familiar with the company.

## Searching the Internet

Because there are so many things on the Internet, it is

frequently hard to locate exactly what you are looking for. Search engines such as Google ([www.google.com](http://www.google.com)) are very helpful and allow you search the Internet.

A search engine is a Website used to search for information on the World Wide Web. Google first collects websites using a computer program (called a



wanderer, crawler, robot, worm, or spider). Then Google creates an index of these sites so they are searchable. There are many search engines that are available - we use Google for purposes of instruction because most people use it.

### Performing a search in Google (See Next Page for Picture)

1. Go to Google by typing [www.google.com](http://www.google.com) in the URL address box (see page 5). Google is also one of the fastest search engines and provides some of the best results.
2. Next type your topic or key words (words closely related to your topic) into the box under the Google logo.
3. Press Enter or click "Google Search"
4. The next page that will appear is your search results page. This page lists the first few results from your search. Click on one of the page title that has an interesting description or seems most relevant.
5. If you are not satisfied with that website, click the back button and try a different website. If you still cannot find a good website, try searching by using different terms in the search box at the top of the webpage.



### Google Searching Tips

Google will return pages that include all of your search terms. There is no need to include the word "and" between terms. For example, to look for information about parks in Cincinnati, simply type "Cincinnati parks."

Google is not case sensitive. Typing "United States" is the same as typing "UNITED STATES" or "united states."

The more words you include in your search, the more specific your search will be and the more relevant your search results will be.



## Internet Glossary

**Browser** – A software program that allows Internet documents (like webpages) to be viewed, also called a Web Browser.

**Cyberspace** – The world of computer networks.

**Domain Name** – A unique name that identifies a specific computer on the Internet.

**Download** – A term for transferring software or other files from one computer to another.

**Email** – Electronic Mail – Messages sent from one specific user to another using the Internet.

**Email address** – The way a specific user is identified so that they may receive email. An email address can be identified by the “@” sign. E.g., Support@seniorconnects.org

**Home Page** – The first page of a Website, similar to a table of contents.

**HTML** – HyperText Markup Language- A computer language used to make hypertext documents that are sent via the World Wide Web and viewed using a Browser.

**HTTP** – HyperText Transfer Protocol – The way that hypertext documents are transferred over the Internet.

**Hypertext** – A way of presenting information that allows words, pictures, sounds, and actions to be inter-linked so that you may jump between them however you choose.

**Link** – A word, phrase, or image that allows you to jump to another document on the World Wide Web.

**Search Engine** – A website that indexes and allows searching of information gathered from the Internet. Google is an example of this.

**URL** – Uniform Resource Locator – The entire address for a piece of information of the Internet. E.g., www.google.com

**Webpage** – A hypertext document available on the World Wide Web.

**Website** – A collection of webpages.

**World Wide Web** – A collection of resources available on the Internet using a web browser.



G

Zoning Certification Letter  
(MANDATORY)



## Zoning Certification

**DATE:**                      **02/22/2019**

**TO:** Virginia Housing Development Authority  
601 South Belvidere Street  
Richmond, Virginia 23220  
Attention: JD Bondurant

**RE:** ZONING CERTIFICATION

Name of Development: Spratley House  
Name of Owner/Applicant: Spratley House, LLC  
Name of Seller/Current Owner: Newport News Redevelopment and Housing Authority

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the zoning of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming proper zoning for the site of the Development. It is understood that this letter will be used by the Virginia Housing Development Authority solely for the purpose of determining whether the Development qualifies for points available under VHDA's Qualified Allocation Plan for housing tax credits.

**DEVELOPMENT DESCRIPTION:**

Development Address: 651 25<sup>th</sup> Street, Newport News, VA 23607

Legal Description: See Attached

Proposed Improvements:

New Construction:    \_\_\_ #Units    \_\_\_ #Buildings    \_\_\_ Total Floor Area Sq. Ft.  
Adaptive Reuse:       \_\_\_ #Units    \_\_\_ #Buildings    \_\_\_ Total Floor Area Sq. Ft.  
Rehabilitation:       50 #Units 1 #Buildings 52,800 Total Floor Area Sq. Ft.

**Zoning Certification, cont'd**

Current Zoning: **R-9, Mixed-Use Neighborhood** allowing a density of **80** units per acre, and the following other applicable conditions:


Other Descriptive Information:

Five story masonry structure encompassing 50 affordable apartments for income eligible elderly families and individuals.

**LOCAL CERTIFICATION:**

Check one of the following as appropriate:

- The zoning for the proposed development described above is proper for the proposed residential development. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.
  
- The development described above is an approved non-conforming use. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.

  
\_\_\_\_\_  
Signature

Nyoka C. Hau  
\_\_\_\_\_  
Printed Name

Zoning Administrator  
\_\_\_\_\_  
Title of Local Official or Civil Engineer:

757.926.8689  
\_\_\_\_\_  
Phone

2.22.19  
\_\_\_\_\_  
Date

**NOTES TO LOCALITY:**

1. Return this certification to the developer for inclusion in the tax credit application package.
2. Any change in this form may result in disqualification of the application.
3. If you have any questions, please call the Tax Credit Allocation Department at (804) 343-5518.

EXHIBIT A  
SPRATLEY HOUSE, VA 36 #321  
Newport News, Virginia

Beginning at a point on the southwesterly corner of the intersection of Madison Avenue with 26<sup>th</sup> Street, it also being the southeasterly corner of former Lot 1, Block 85, Map of Part of the City of Newport News, Virginia: and from the point of beginning so described running S. 26° 23" E, a distance of 150.00 feet to a point; thence running along an arc with a 25.00 feet radius a distance of 39.27 feet to a point; thence running S. 63° 37' W, a distance of 400 feet to a point; thence running N. 26° 23' W, a distance of 200.00 feet to a point; thence running N. 63° 37' E, a distance of 400 feet to a point; thence running along an arc with a 25.00 foot radius a distance of 39.27 feet to the point of beginning: the property so described containing 1.9452 Acres

H

Attorney's Opinion  
(MANDATORY)

**Klein Hornig** LLP  
COUNSELORS AT LAW

March 13, 2019

TO: Virginia Housing Development Authority  
601 South Belvidere Street  
Richmond, Virginia 23220-6500

RE: 2019 Tax Credit Reservation Request

Name of Development: Spratley House  
Name of Owner: Spratley House LLC

Gentlemen:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated March 13, 2019 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

Based upon the foregoing reviews and upon due investigation of such matters as it deems necessary in order to render this opinion, but without expressing any opinion as to either the reasonableness of the estimated or projected figures or the veracity or accuracy of the factual representations set forth in the Application, the undersigned is of the opinion that:

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section in the Application form.
4. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.
5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for a period of not less than four (4) months beyond the application deadline.



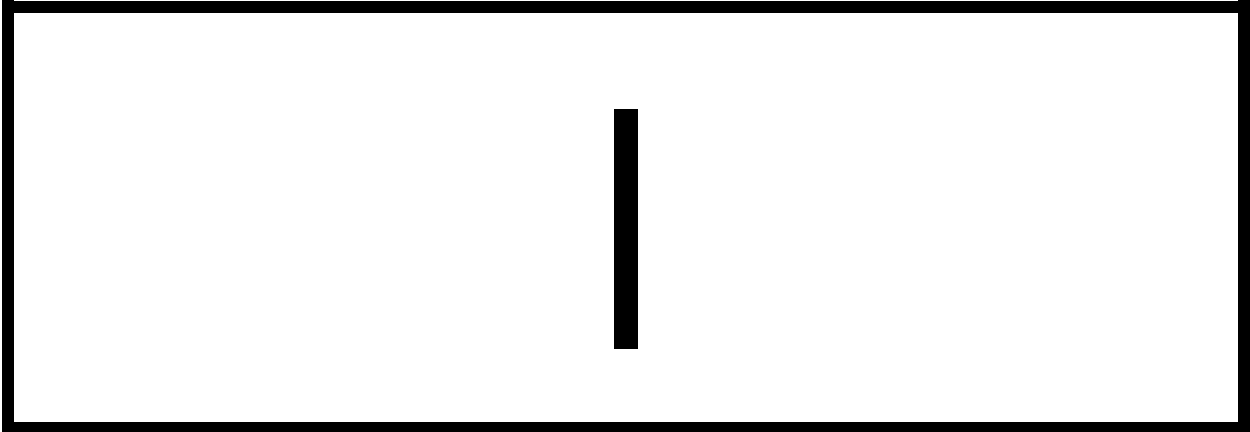
6. It is more likely than not that the representations made under the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.

Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon compliance by the Owner with the requirements of Code Section 42(h)(1)(E), the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("VHDA") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by VHDA and may not be relied upon by any other party for any other purpose.

**This opinion was not prepared in accordance with the requirements of Treasury Department Circular No. 230. Accordingly, it may not be relied upon for the purpose of avoiding U.S. Federal tax penalties or to support the promotion or marketing of the transaction or matters addressed herein.**

By: Klein Hornig LLP  
Firm Name  
  
Aaron O'Foole  
Its: Partner  
(Title)



# Nonprofit Questionnaire

**(MANDATORY for points or pool)**



**Not Applicable**

J

# Relocation Plan

(MANDATORY, if tenants are displaced)

Relocation Plan for Temporary Displacement of Residents to Facilitate the  
Rehabilitation of the Spratley House Project  
Newport News, Virginia

This relocation plan has been developed in conjunction with the Newport News Redevelopment and Housing Authority's (NNRHA) request to the Virginia Housing Development Authority (VHDA) for a 2019 set aside of federal tax credits (LIHTC) for the Spratley House Project, and the proposed conversion of this complex to the Section 8 funding program via the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration Program (RAD). This strategy coincides with VHDA Relocation Assistance Guidelines promulgated effective July 1, 2015, related regulations set forth under the Uniform Relocation Assistance Act of 1970 (URA), and similar requirements for the RAD program. These programs, if approved by VHDA and HUD, will enable NNRHA, as developer, to substantially renovate, and preserve this elderly, affordable housing project.

Numerous meetings have been held with residents individually and collectively during a protracted LIHTC and RAD process beginning in 2014 when NNRHA began the RAD program that was followed by a related request for LIHTC assistance for the Spratley House Project in 2017. Unfortunately, this critical component of a RAD financing plan and conversion was not approved by VHDA. A decision to discontinue these efforts at the time and to restart this process followed. This process was re-started in late 2018 when HUD again approved a RAD CHAP contract (commitment to enter into a housing assistance payments contract) for the property.

As evidenced by the attached copies of letters, notices and meeting notes referencing the longstanding and continued dialogue with residents of this property, a countless number of meetings, letters and notices have been held and communicated individually and collectively to/with residents to focus on (1) identifying/updating housing needs, (2) keeping residents abreast of project activities and to advise them of their rights under the LIHTC and RAD programs and the aforementioned relocation guidelines, (3) providing counseling services as requested or needed, and (4) assisting residents, particularly the elderly, in packing and storing furnishings as needed.

Subject to receipt of tax credits and other resources and HUD/RAD approvals, Spratley House renovations will begin in the first quarter of 2020 and will be completed in approximately fourteen (14) months. These comprehensive improvements will require that existing residents be temporarily relocated. Subject to final planning and input from the contractor selected for this project, this work will be undertaken floor by floor in this five story structure. It is estimated that in the initial phase residents will be out of their apartments for up to fourteen (14) weeks. This timeframe may be reduced in subsequent phases. In no event, will residents be out of their units in excess of twelve (12) months and under RAD they have an absolute right to return to this project upon completion of renovations.

Improvements will include, among others, comprehensive interior upgrades such as new kitchens (appliances, cabinets, countertops, flooring and lighting etc.) and baths (vanities, showers, lighting and flooring) and new flooring, painting, and lighting in living areas, and accessibility and universal design improvements. These enhancements will be complemented by an upgraded heating and air conditioning system (HVAC) throughout the building and in individual apartments. New lighting and flooring in hallways and common areas will also be undertaken.

Like three large similar RAD conversions undertaken between 2015 and 2017, and in the nearby Lassiter Courts Project where work is underway, temporarily displaced residents will be housed in other NNRHA apartments and other affordable housing in the community, and if needed in private rental housing. As noted below, NNRHA site and management staff will coordinate such moves and NNRHA will be responsible for moving costs and for reimbursement of documented out of pocket costs for the moves and temporary housing, and for the temporary storage of furniture if warranted.

Move-out notices addressed or delivered to the Tenant's current address will include the location of the temporary housing to be provided and a date such housing can be inspected if requested. The notices will also include a specific date for move-out by the Tenant and the expected arrival time of vendors, if any, providing assistance in such moves. Similar information will be included in notices to the tenant when move-back to the property is imminent.

Development and management team responsible for project activities including relocation:

- Developer: Newport News Redevelopment and Housing Authority
- Owner: Spratley House LLC; managing member: Spratley House Development Corp.
- Management agent: Newport News Redevelopment and Housing Authority  
Contact: Casey Hickey – Property Manager (757 928 2680)  
Stephanie Jennings - Assistant Property Manager (757 928 2680)  
Tanya Tatum - Assistant Property Manager (757 928 2680)

NNRHA is responsible for the costs of moving residents, and related costs which typically include outlays for move-out and move-back costs and packing, contractor moving costs, and utility connections and reconnections and miscellaneous costs based on required receipts and documentation. NNRHA, where required, is also responsible for any differential in rent for temporary housing in excess of the resident's normal monthly rent.

In the relocation process NNRHA site and management staff will:

- Be responsible for move-out and move-back costs and will assist in related to packing, be responsible for contractor moving costs, and utility connections and reconnections, and miscellaneous costs based on required receipts and documentation. NNRHA will also be

responsible for the cost of rental of the temporary dwelling unit in excess of the resident's normal monthly rent.

- Will continue to hold resident meetings and communicate regularly with Spratley House residents throughout the planning and renovation process in accordance with RAD and VHDA requirements, and will provide at least a thirty (30) day written notice prior to the initial relocation of residents and when renovations are complete and return to Spratley House is imminent. In addition to the above referenced attachments, additional letters and other communications utilized in conjunction with previous LIHTC requests and RAD activities, which will very closely resemble such communications with residents going forward, are attached.

Further:

- Resident monthly rent payments after renovations are complete will not change assuming resident income and family composition remain unchanged.
- NNRHA advisory and counseling services will be available to residents before and during renovations and after normal business hours if needed. Such services will be tailored to meet specific needs i.e. those required by the elderly or for occupants with language or reading difficulties and other needs.
- Transportation services will be provided to displacees if needed to inspect prospective housing to be used for temporary housing purposes.
- Moving cost schedule:

The following breakdown reflects an approximation of costs/payments related to temporary relocation and displacement activities in the Spratley House Project.

Resident moves (2):

One bedroom	\$300-450
Two bedroom	375-525

Cable/telephone costs:

Cox telephone transfer	\$40.00	Verizon transfer	\$70.00
Cox telephone and cable	80.00	Verizon telephone only	66.00
DSL telephone and cable	36.00		

- This relocation plan will be displayed in the Spratley House management office.

- All resident relocation documentation related to the Spratley House Project (i.e. agreements, invoice receipts, and cancelled checks, etc.) and notices will be included in individual resident files.

K

Documentation of  
Development Location:

**K.1**

Revitalization Area  
Certification





Karen R. Wilds  
*Executive Director*

BOARD OF  
COMMISSIONERS

M. Lou Call  
Chairman  
Gary B. Hunter  
Vice Chairman

Mark Hager  
Josephine W. Clark  
Kenneth D. Penrose, Jr.  
Lisa Wallace-Davis  
William C. Black

March 14, 2019

Mr. J.D. Bondurant  
Director, Low Income Housing Tax Credit Program  
Virginia Housing Development Authority  
601 S Belvidere St  
Richmond, VA 23220

Re: Low-Income Housing Tax Credit Application — Spratley House  
Newport News, VA. VHDA Number 2019-C-11 Revitalization Letter

Dear Mr. Bondurant:

The Newport News Redevelopment and Housing Authority (NNRHA) is the current owner of certain real property located in Newport News, Virginia. The Spratley House, LLC currently has an option to lease this property to facilitate its renovation and conversion via HUD's Rental Assistance Demonstration Program.

This development is located in a HUD qualified census tract, in a Title 36 redevelopment area, and in the Marshall-Ridley Choice Neighborhood Revitalization Area in the City of Newport News, Virginia.

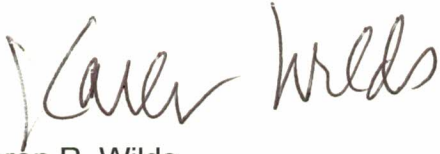
A City Council resolution and map supporting the Title 36 designation are attached. The CNI revitalization plan was adopted (resolution attached) on June 12, 2018 by the Newport News City Council. An exhibit reflecting the CNI revitalization area is also attached and the location of the Spratley House development is shown thereon.

This letter is being provided to the Virginia Housing Development Authority in support of our related request for a set-aside of low-income housing tax credits (LIHTC) which are an essential component for the development of this Project.



If you have any other questions on this matter, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Karen Wilds". The signature is written in a cursive style with a large initial "K" and "W".

Karen R. Wilds,  
Executive Director



# 2018 and 2019 Small DDAs & QCTs

651 25th newport news va

Go

Select a State

Select a County

Go

Map Options : Clear | Reset | Full Screen

**QCT Legend:**

Tract Outline

LIHTC Project

2019 Qualified Census Tracts

**SADDA Legend (%):**

FMR Boundary

SADDA Boundary

2019 Small DDA

Hide the overview

The 2019 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2019. The 2019 designations use data from the 2010 Decennial census and three releases of 5-year tabulations from the American Community Survey (ACS): 2010-2014; 2011-2015; and 2012-2016. The designation methodology is explained in the federal Register notice published October 22, 2018.

### Map Options

14 Current Zoom Level

Show Difficult Development Areas (Zoom 7+)

Color QCT Qualified Tracts (Zoom 7+)

Show Tracts Outline (Zoom 11+)

Show FMR Outlines (Zoom 4+)

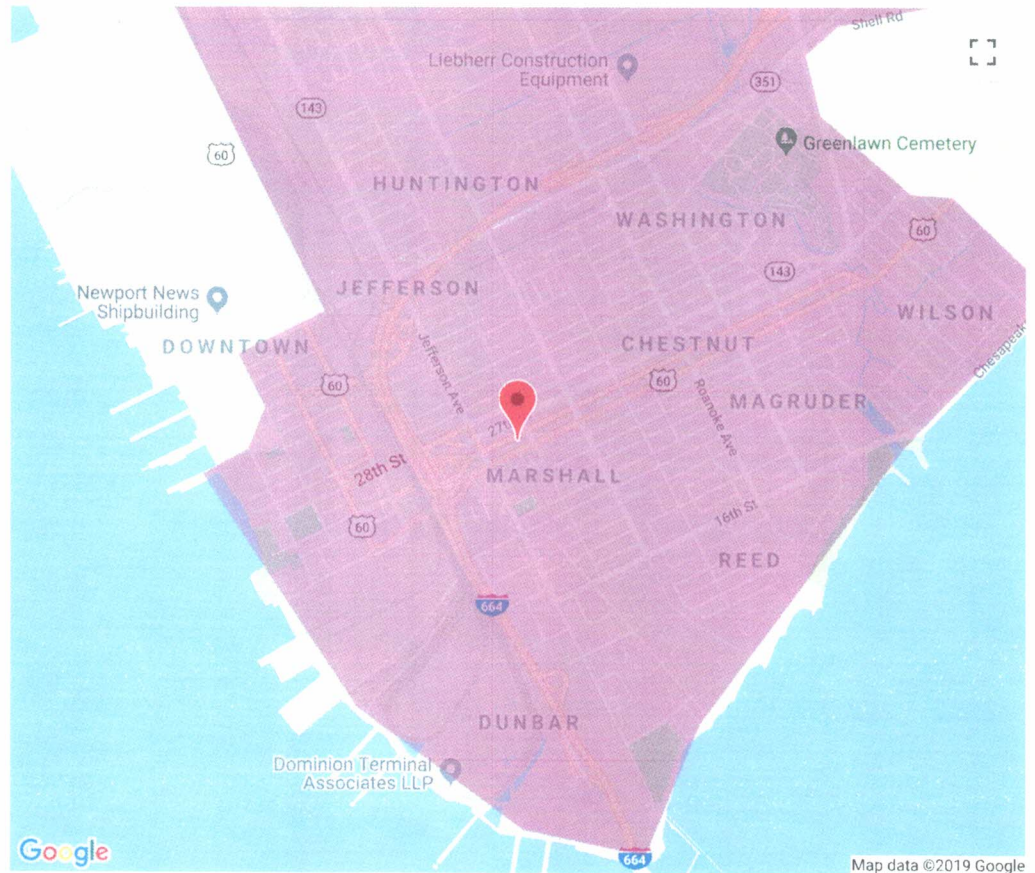
Show LIHTC Projects (Zoom 11+)

[Click here for full screen map](#)

### Select Year

2019

2018



### About PD&R

Delegations of Authority and Order of Succession

Events

HUD at 50

### Initiatives

Aging Research and Resources

Aligning Affordable Rental Housing

Interagency Physical Inspection Alignment

### Research

Case Studies

Data Sets

Periodicals

Regulatory Barriers Clearinghouse

sdg04247

RESOLUTION NO. 8947-97

A RESOLUTION OF THE COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA, APPROVING THE SOUTHEAST COMMUNITY CORRIDOR REDEVELOPMENT PLAN AS AMENDED.

WHEREAS, in December 1994, the Council of the City of Newport News, Virginia (the Council) approved the Southeast Community Corridor Redevelopment Plan (the Plan); and

WHEREAS, the Plan was prepared and adopted as a redevelopment plan pursuant to Title 36 of the Code of Virginia, 1950, as amended; and

WHEREAS, Title 36 plans are prepared and implemented by housing authorities, but must be approved by local governing bodies; and

WHEREAS, the Newport News Redevelopment and Housing Authority has approved an amendment to the 1994 Plan and has requested that the Council review and approve the Plan as amended; and

WHEREAS, the amendment to the Plan primarily expands the boundaries of the area covered by the Plan, and the Council is of the opinion that it is in the public interest and welfare that the Plan, as amended, be approved and implemented;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Newport News, Virginia, that it desires to, and hereby does, approve the Southeast Community Corridor Redevelopment Plan submitted to the Council on December 9, 1997, which Plan incorporates amendments made to the 1994 version of the Plan and constitute the first amendment of that Plan.

Resolution No. 8947-97

Page -2-

Sponsor:

Charles L. Allen

PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS DECEMBER 9, 1997

Countersigned:

John H. ...  
Mayor

Attest:

Bernice I. Barry  
Bernice I. Barry, CMC/AAE

City Clerk

Roll Call Vote Resulted as Follows:

Ayes: BaCote, Fitzgerald, Frank, Joseph, Martin, Witt, Allen

Nays: None

REDEVELOPMENT AREA BOUNDARY MAP  
DECEMBER 9, 1997 EXHIBIT 1

SCALE: 1" = 500'



Spratley House

RESOLUTION NO. 13137-18

A RESOLUTION OF THE NEWPORT NEWS CITY COUNCIL RECOMMENDING ADOPTION OF THE MARSHALL-RIDLEY CHOICE NEIGHBORHOOD TRANSFORMATION PLAN.

WHEREAS, the Newport News City Council has before it this day the Transformation Plan for the Marshall-Ridley Choice Neighborhood (MRCN). With the award of a Choice Neighborhoods Initiative (CNI) Planning Grant funded by the U.S. Department of Housing and Urban Development (HUD) on June 28, 2016, co-applicants of the grant, the City of Newport News and the Newport News Redevelopment & Housing Authority (NNRHA), led an 18 month community-driven planning process resulting in the Marshall-Ridley Choice Neighborhood Transformation Plan; and

WHEREAS, the planning process included the formation of several committees and task forces to address specific components of the Transformation Plan including the Steering Committee, Citizen Advisory Committee, Neighborhood Task Force, Housing Task Force, People Task Force, and Early Action Activities Subcommittee; and

WHEREAS, from the time the planning process began, a variety of special events, workshops, task force meetings, and other activities gave residents of all ages the opportunity to be involved and shape the Plan; and

WHEREAS, the MRCN Transformation Plan was completed in May of 2018; and

WHEREAS, the Transformation Plan contains three individual components: Neighborhood, Housing, and People Plans, the lines within and between the components are intentionally blurred as the goals and strategies are designed to complement one another and work together to maximize the overall neighborhood revitalization effort; and

WHEREAS, the Transformation Plan contains inter-related recommendations to include connecting MRCN residents with excellent businesses, services, schools, and safe streets; providing diverse, accessible mixed-income housing options; and improving access to the knowledge, resources, and amenities that allow residents to be active, healthy, and self-sufficient; and

WHEREAS, on May 2, 2018, the Newport News Planning Commission voted unanimously to recommend that the City Council approve and adopt the Marshall-Ridley Choice Neighborhood Transformation Plan; and

WHEREAS, the CNI Steering Committee, comprised of representatives of the City of Newport News, NNRHA, partner organizations, and MRCN residents, endorsed the Marshall-Ridley Choice Neighborhood Transformation Plan as reported on May 3, 2018.

NOW, THEREFORE BE IT RESOLVED, that the City Council for the City of Newport News, Virginia, hereby approves and adopts the Marshall-Ridley Choice Neighborhood Transformation Plan.

PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS ON JUNE 12, 2018

Mabel Washington Jenkins, MMC  
City Clerk













McKinley L. Price, DDS  
Mayor

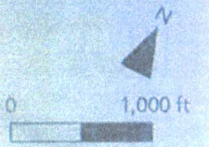
A true copy, teste:

City Clerk





-  Marshall-Ridley Choice Neighborhood
-  Park Space
-  Key Educational Sites
-  Key Institutional/Commercial Sites
-  Places of Worship
-  Health Facilities
-  Head Start Facilities
-  Proposed Housing Locations
-  Vacant Opportunity Sites
-  Subsidized Housing
-  Southeast Community Corridor Redev. Area
-  Terminal Avenue Redevelopment Area Plan





## Land Use and Zoning Details » Parcel #312010226

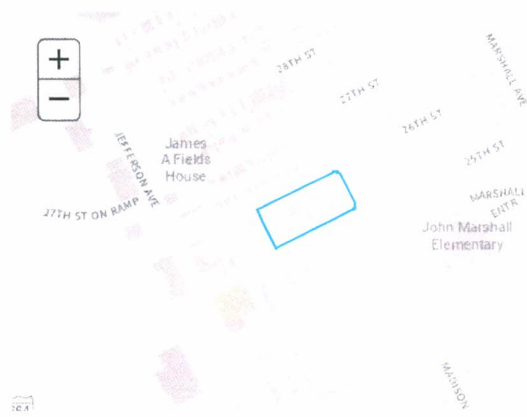
### Planning Information

<b>Zoning District(s)</b>	R9
<b>Overlay District(s)</b>	Choice Neighborhood, Neighborhood Conservation District
<b>Existing Land Use</b>	BOARDING HOUSE/DORMITORY/GROUP HOME
<b>Conditional Land Use</b>	
<b>Chesapeake Bay Preservation Area(s)</b>	
<b>FEMA Flood Zone</b>	X (Effective 12/9/2014)
<b>NSA</b>	01 - Lower Downtown
<b>Census Tract</b>	304
<b>Census Block</b>	Block 1027

### Land Use Cases

Type	Case #
Special Exception	SE-1808

### Map



### **City Council**

McKinley L. Price, DDS, *Mayor*  
Madeline McMillan, *Vice Mayor*  
Joseph C. Whitaker  
Tina L. Vick  
Herbert H. Bateman, Jr.  
Dr. Patricia Woodbury  
Sharon P. Scott

Neil Morgan, *City Manager*  
Cynthia Rohlf, *Assistant City Manager*  
Alan Archer, *Assistant City Manager*

Stuart E. Katz, *City Attorney*  
Mabel Washington Jenkins, *City Clerk*

### **City Planning Commission**

Sharyn L. Fox, *Chairwoman*  
Victor Albea, *Vice Chairman*  
Lorraine P. Austin  
J. Doug Coenen, Jr.  
Robert B. Jones  
Cleon Long  
Wesley L. Maxwell  
H. Eugene Roberts  
Clara P. Swanson

### **Department of Planning**

Sheila W. McAllister, AICP, *Director*  
Kathy E. James-Webb, AICP, *Mgr. of Current Planning, Project Manager*  
Michael S. King, AICP, *Mgr. of Comprehensive Planning*  
Angela Y. Hopkins, *Senior Planner*  
Saul Gleiser D., *Senior Planner*  
Carl E. Jackson, AICP, *Senior Planner*  
Sandra K. Hitchens, *Planning Technician*  
Eric Chen, *Senior Research Planner*

RESOLUTION NO. 12204-11

A RESOLUTION APPROVING PLN-11-06 AN AMENDMENT TO THE COMPREHENSIVE PLAN, *FRAMEWORK FOR THE FUTURE 2030*, FOR THE CITY OF NEWPORT NEWS.

WHEREAS, on November 6, 2008, the City of Newport News (the City) adopted *Framework for the Future 2030* (the *Framework*) as its Comprehensive Plan; and

WHEREAS, the *Framework* provides the general guidance for planning and zoning decisions within the City; and

WHEREAS, the *Framework* recommends the preparation of neighborhood plans to ensure that communities are developed or redeveloped in a high quality manner, with a mix of uses while preserving natural and historic features; and

WHEREAS, the *Framework* identifies the Southeast Community as an area of the City regarding which a neighborhood plan should be prepared; and

WHEREAS, the Southeast Community Plan (hereinafter "the Plan") will guide development and redevelopment within the Plan area. The Plan discusses key challenges and issues facing the area and encourages reinvestment through recommendations to the land use map and implementation action steps for economic development, transportation, housing, historic preservation, parks, open spaces and community facilities; and-

WHEREAS, the Plan furthers the City's goal of creating a city of distinct, safe, quality neighborhoods which preserve and enhance the natural and historic diversity of Newport News; and

WHEREAS, the Plan has been advertised as required by law, public hearings have been held by the Planning Commission and by the City Council, and the Newport News Planning Commission recommended adoption of the Plan on September 7, 2011; and

WHEREAS, *Framework for the Future 2030* is a consensus document which reflects the vision of the citizens of Newport News concerning the physical development and services within the City, and the proposed Plan seeks to implement that vision.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Newport News, Virginia, that it desires to, and does hereby approve and adopt the Southeast Community Plan, identified as PLN-11-06, which is attached hereto and made a part hereof.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to take such action as shall be required to cause the referenced Exhibit, PLN-11-06, to become a part of the official Comprehensive Plan of the City, *Framework for the Future 2030*, and to cause other

parts of *Framework for the Future 2030* to conform to the changes made through adoption of PLN-11-06, if any.

PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS ON OCTOBER 11, 2011

Mabel Washington Jenkins, MMC  
City Clerk

Madeline McMillan  
Vice Mayor

A true copy, teste:

City Clerk

# ACKNOWLEDGEMENTS

The City of Newport News acknowledges with gratitude the contributions of all the community organizations, individual citizens, and city government agencies that participated in the development of this plan. A special thank-you is owed to the citizen participants who devoted countless hours of their time to this visionary effort.

## Planning District I Task Force

Dr. Saundra Cherry, Chair  
Sheryl Holmes Abbott, Vice Chair  
Wilbert E. Ashe, Past Chair (deceased)  
Effie Ashe  
Imam Mohammed Asadi  
Phil Bomersheim  
Gregory Cherry (deceased)  
Annie B. Daniels  
Gloria D. Deloatch  
Inettie Edwards

Clarence Wesley Harris (deceased)  
Ethel Hayes-Pryor  
Stephen Hudak  
Dr. McKinley Price  
Sharon Urquhart Richardson  
Jack H. Shiver  
Terrence Thomas  
Julian Scott  
Wesley Maxwell  
Larry Orie

## Other City Departments

Harold Roach, *Director of Codes Compliance*  
Karen Wilds, *Executive Director Newport News Redevelopment and Housing Authority*  
H. Reed Fowler, Jr., *Director of Public Works*  
Izabela M. Cieszynski, *Director of Libraries and Information Services*  
Florence Kingston, *Director of Development*  
Michael Poplawski, *Director of Parks, Recreation and Tourism*  
James D. Fox, *Police Chief*  
Scott Liebold, *Acting Fire Chief*  
Everett Skipper, *Director of Engineering*  
Brian Lewis, *Senior Engineer for Environmental Services*  
Tom Slaughter, *Special Projects Engineer*  
Mark Hargrave, *Manager-Technical Support*  
Ben Scott, *GIS Programmer Analyst II*

## PREFACE

It is important to understand that previous plans were prepared, either in whole or in part, for the area that includes the Southeast Community. These plans give an indication of the community's and city government's vision for the area. These plans were prepared by the Planning Department staff or consultants for the city. They are the 1976 Southeast Community Plan, all editions of the Framework for the Future, the Hampton Roads Waterfront Parks Plan, the Southeast Community Urban Waterfront Design Study and the Jefferson Avenue Corridor Study. Below is a brief description of these plans.

### The Southeast Community Plan, 1976

The last plan for the entire Southeast Community was adopted in 1976. This was a long-range general plan which covered the physical development of the area. It focused on such elements as the street system, land use, conservation and redevelopment, recreation, schools, libraries, and public utilities.

### Southeast Community Corridor Redevelopment Plan, 1994

Due to the socio-economic conditions in the Southeast Community, the city of Newport News has designated portions of it as a Title 36 Redevelopment Area, and prepared a Southeast Community Corridor Redevelopment Plan (SCCRP). The SCCR, also known as the Title 36 Redevelopment Plan, was originally adopted by Newport News City Council on October 18, 1994 and amended December 9, 1997. The SCCR is implemented by the Newport News Redevelopment and Housing Authority (NNRHA). It encompasses:

- ❖ The Southeast Commerce Center site which is bounded by Jefferson and Terminal Avenues between 28<sup>th</sup> and 35<sup>th</sup> Streets,
- ❖ The 600 and 700 blocks between 25<sup>th</sup> and 26<sup>th</sup> Streets,
- ❖ Properties located between Marshall and Orcutt Avenues bounded by 39<sup>th</sup> Street and the CSX rail line comprising the 39<sup>th</sup> Street commercial/industrial corridor,
- ❖ The Jefferson Avenue corridor between 25<sup>th</sup> and 36<sup>th</sup> Streets,
- ❖ The 600, 700, and 800 blocks between 25<sup>th</sup> and 28<sup>th</sup> Streets, and
- ❖ The lower Jefferson Avenue corridor between 17<sup>th</sup> Street and Hampton Avenue.

### The Hampton Roads Waterfront Parks Plan, 1994

This plan addressed waterfront improvements for King-Lincoln Park, Anderson Park, Chesapeake Avenue, Salter's Creek and the beaches along Hampton Roads harbor.

### The Framework for the Future 2030

The city's comprehensive plan is the single most important document for managing a community's physical growth. It expresses, through a citizen based planning process, physical planning needs, goals and policies, plans

and actions that address various aspects of a city's physical development. It is a process by which a community assesses what it has, what vision it wants for the future, and how to implement that vision. The Framework for the Future was originally prepared and adopted in 1993, and was updated with extensive citizen participation in 2001 and 2008.

*The Southeast Community Urban Waterfront Design Study, 2007*

This study, by consultants Chan Krieger Sieniewicz, was the result of the consultants, planners and citizens discussing future redevelopment opportunities along the Southeast Community's waterfront. This concentrated evaluation made use of the waterfront's unique assets in the Southeast Community.

*The Jefferson Avenue Corridor Study, 2009*

The consultants, Chan Krieger Sieniewicz, began an eighteen month process to develop a vision for the portion of Jefferson Avenue located between 25<sup>th</sup> and 36<sup>th</sup> Streets. The study identifies improvements to streets, sidewalks and utilities. It also prescribes design guidelines for future redevelopment within the Jefferson Avenue commercial corridor. The study makes recommendations that will create an attractive walkable corridor with improved building facades, landscaping and on street parking.

All of the above plans are valuable resources that add to this plan. Their information and recommendations are used or referred to as appropriate in this document.

The 2011 Southeast Community Plan will amend and supplement the Framework for the Future 2030. It is neither an official zoning map nor does it create or deny any rights of individual property owners. Zoning changes, historic districts, and reinvestment and redevelopment activities recommended in the document will be initiated under separate procedures.



## REVITALIZATION CERTIFICATION

### Spratley House Apartments

Spratley House Apartments is located in Census Tract 301 in the City of Newport News. This census tract is listed as a Qualified Census Tract and therefore qualifies as a Revitalization Area.

## 2019 IRS SECTION 42(d)(5)(B) QUALIFIED CENSUS TRACTS

(2010 Census Data; 2010-2014, 2011-2015, 2012-2016 American Community Survey (ACS) Data); OMB Metropolitan Area Definitions, July 15, 2015

*\* Effective Date January 1, 2019*


---

STATE: Virginia	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
COUNTY OR COUNTY EQUIVALENT												
Albemarle County	109.01	109.02	109.03	113.02								
Alleghany County	701.00											
Arlington County	<u>1020.03</u>	1022.00	1027.01									
Brunswick County	9302.03											
Buchanan County	101.00	102.00	104.00									
Chesterfield County	1001.07	1003.00	1004.04	1004.05	1004.06	1008.06						
Dickenson County	404.00											
Dinwiddie County	8404.00											
Fairfax County	4214.00	4215.00	4216.00	4217.01	4507.02	4514.00	4516.01	4522.00	4525.02	4619.02		
Franklin County	202.00											
Grayson County	601.01	602.01										
Halifax County	9306.00	9308.00										
Henrico County	2004.10	2004.12	2007.00	2008.04	2008.05	2010.02	2010.03	2011.01	2014.01			
Henry County	108.00	110.00	112.00									
Lee County	9501.00	9503.00	9504.00	9506.00								
Loudoun County	6105.05	6106.03										
Montgomery County	202.01	202.02	204.00	207.00								
Northampton County	9303.00											
Nottoway County	3.00											
Orange County	1102.00											
Prince Edward County	9301.00	9302.03										
Prince William County	9002.03	9004.07	9009.01	9011.00	9014.08	9019.00						
Rockingham County	105.00											
Russell County	301.00											
Smyth County	306.00											
Spotsylvania County	201.08	201.09	204.04									
Stafford County	102.01											
Sussex County	8701.00	8703.00	8704.00									
Tazewell County	203.00	205.00										
Washington County	105.02											
Wise County	9311.00	9312.00	9315.00	9316.00								
Alexandria city	2001.03	2001.05	2005.00	2012.03								
Bristol city	202.00	203.00										
Buena Vista city	9306.00											
Charlottesville city	2.01	2.02	4.01	5.01	6.00							
Chesapeake city	201.00	202.00	203.00	207.00								
Covington city	601.00											

Danville city	4.00	5.00	6.00	10.00	11.00	12.00						
Emporia city	8901.00	8902.00										
Franklin city	902.00											
Fredericksburg city	2.00	4.00										
Galax city	701.01											
Hampton city	104.00	105.01	105.02	106.01	106.02	107.01	109.00	113.00	114.00	118.00	119.00	
Harrisonburg city	2.04	2.05	2.07	3.02								
Hopewell city	8201.00	8203.00	8206.00	8207.00								
Lynchburg city	4.00	5.00	6.00	7.00	8.01	9.00	11.00	16.00	19.00			
Martinsville city	2.00	3.00	4.00									
Newport News city	301.00	303.00	304.00	305.00	306.00	308.00	309.00	312.00	320.06	321.26	322.12	322.25
	322.26											
Norfolk city	11.00	13.00	14.00	25.00	26.00	27.00	29.00	31.00	34.00	35.01	41.00	42.00
	43.00	46.00	48.00	50.00	51.00	55.00	57.01	58.00	59.01	65.01		
Petersburg city	8101.00	8103.00	8104.00	8105.00	8106.00	8107.00	8112.00	8113.00				
Portsmouth city	2105.00	2111.00	2114.00	2115.00	2117.00	2118.00	2119.00	2120.00	2121.00	2123.00	2124.00	2128.01
Radford city	101.01	101.02										
Richmond city	103.00	107.00	108.00	109.00	110.00	111.00	201.00	202.00	203.00	204.00	207.00	209.00
	210.00	211.00	212.00	301.00	302.00	305.00	402.00	403.00	404.00	411.00	412.00	413.00
	602.00	604.00	607.00	608.00	609.00	610.00	706.01	706.02	707.00	708.01	709.00	710.01
	710.02											
Roanoke city	9.00	10.00	12.00	23.00	24.00	25.00	26.00	27.00				
Staunton city	2.00											
Suffolk city	651.00	653.00	654.00	655.00	755.01	756.01						
Virginia Beach city	406.00	442.00	448.06	458.10								
Waynesboro city	31.00	32.00										
Winchester city	1.00											

Click on a tract number to see a map of the tract in another browser window.

Users trying to determine the HUB Zone status of a census tract should use the [SBA's HUB Zone Mapping Site](#).

To determine the 2010 census tract number for a particular address, visit the [HUD User GIS Service -- Low-Income Housing Tax Credit Qualified Census Tract \(QCT\) Locator](#).

The following are 2019 Nonmetropolitan Difficult Development Areas in **Virginia**. Any LIHTC project located in these areas is eligible for additional tax credits.

### Nonmetropolitan Counties or County Equivalents

Accomack County

Brunswick County

Cumberland County

Essex County

Greensville County  
Lunenburg County  
Nottoway County  
Southampton County

King and Queen County  
Madison County  
Prince Edward County

Lancaster County  
Middlesex County  
Rockbridge County

Louisa County  
Northampton County  
Shenandoah County

---

See the latest [Designation Notice](#) for information on effective date and when changes to designations may be made.

Set printer to landscape mode to ensure that you print the entire table.

| [HUD Home Page](#) | [HUD User Home](#) | [Data Sets](#) | [Qualified Census Tracts and Difficult Development Areas](#) |

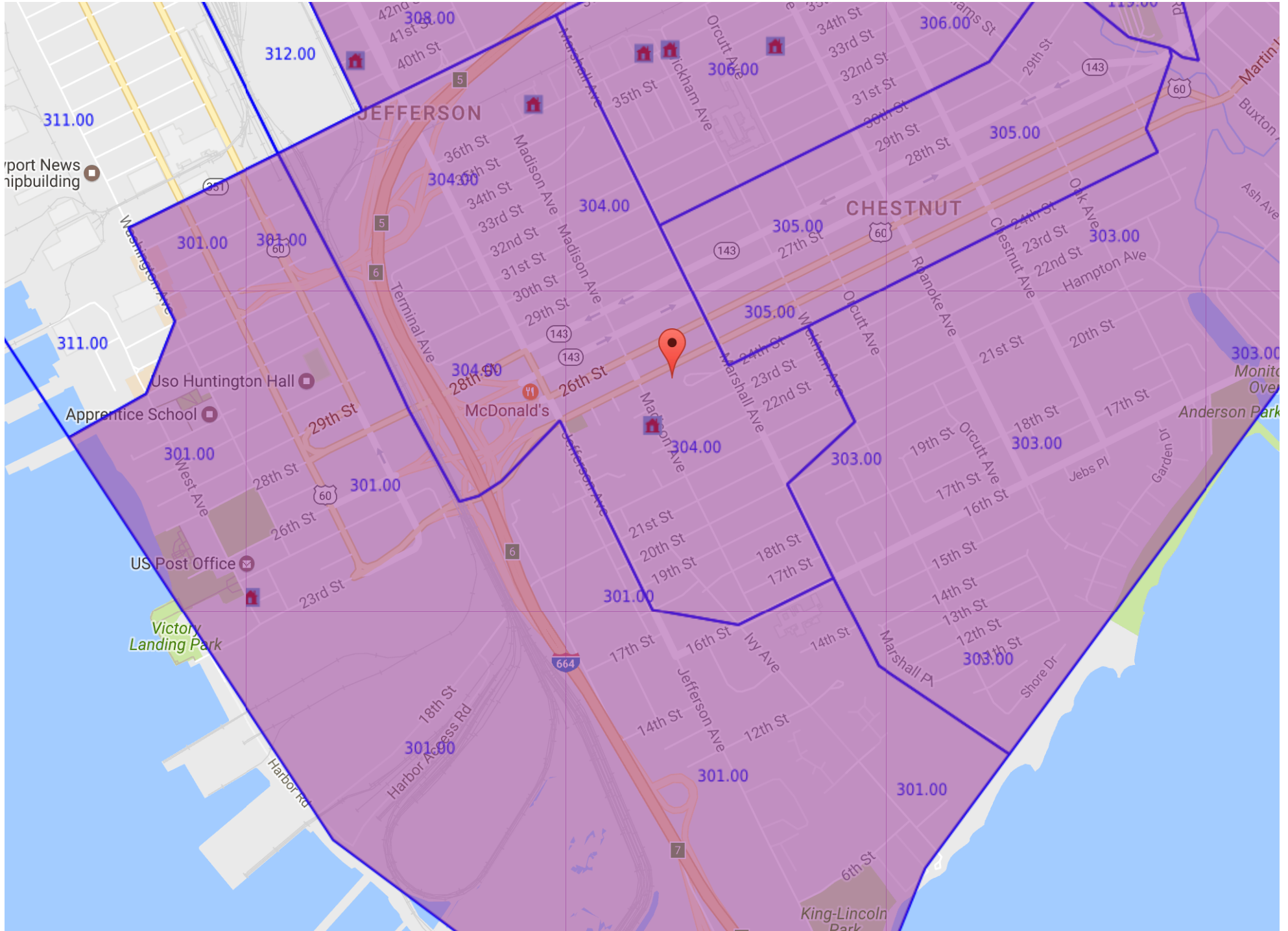
Problems or questions? Contact [Michael.K.Hollar@hud.gov](mailto:Michael.K.Hollar@hud.gov).

---

Close Window

K.2

Location Map



K.3

Surveyor's Certification of  
Proximity to Public  
Transportation

HAYDEN FRYE AND ASSOCIATES, INC.  
LAND SURVEYORS

MEMBER OF THE VIRGINIA ASSOCIATION OF SURVEYORS

Surveyor's Certification of Proximity to Transportation

DATE: 03-06-19

TO: Virginia Housing Development Authority  
601 South Belvidere Street  
Richmond, VA 23220-6500

RE: 2019 Tax Credit Reservation Request

Name of Development: Spratley House

Name of Owner: Spratley House, L.L.C.

Gentlemen:

This letter is submitted to you in support of the Owner's Application for Reservation of Low Income Housing Tax Credits under Section 42 of the Internal Revenue Code of 1986, as amended.

Based upon due investigation of the site and any other matters as it deemed necessary this firm certifies that: the main street boundary entrance to the property is within:

- 2,640 feet or 1/2 mile of the nearest access point to an existing commuter rail, light rail or subway station; **or**
- 1,320 feet or 1/4 mile of the nearest access point to an existing public bus stop.



Hayden Frye and Associates, Inc.

Firm Name

By: Hayden Frye, L.S.

Its: President

Title





L

PHA/Section 8 Notification  
Letter

**Not Applicable**

M

Locality CEO Response  
Letter



# City of Newport News

Virginia 23607

2400 Washington Avenue  
(757) 926-8411  
Fax (757) 926-3503

Office Of The City Manager

February 25, 2019

Mr. J.D. Bondurant  
Virginia Housing Development Authority  
601 South Belvidere Street  
Richmond, VA 23220


---

VHDA Tracking Number: 2019-C-11  
Development Name: Spratley House  
Name of owner / Applicant: Spratley House, LLC

Dear Mr. Bondurant:

The comprehensive rehabilitation supported by an allocation of federal housing tax credits available under (IRC Section 42) for this development helps to meet the housing goals and priorities of the City of Newport News. This renovation is required for a successful conversion of this property under the Rental Assistance Demonstration program. Accordingly, the City of Newport News supports the allocation of federal housing tax credits requested by Spratley House, LLC for this development.

Sincerely,

  
Cynthia D. Rohlf  
City Manager

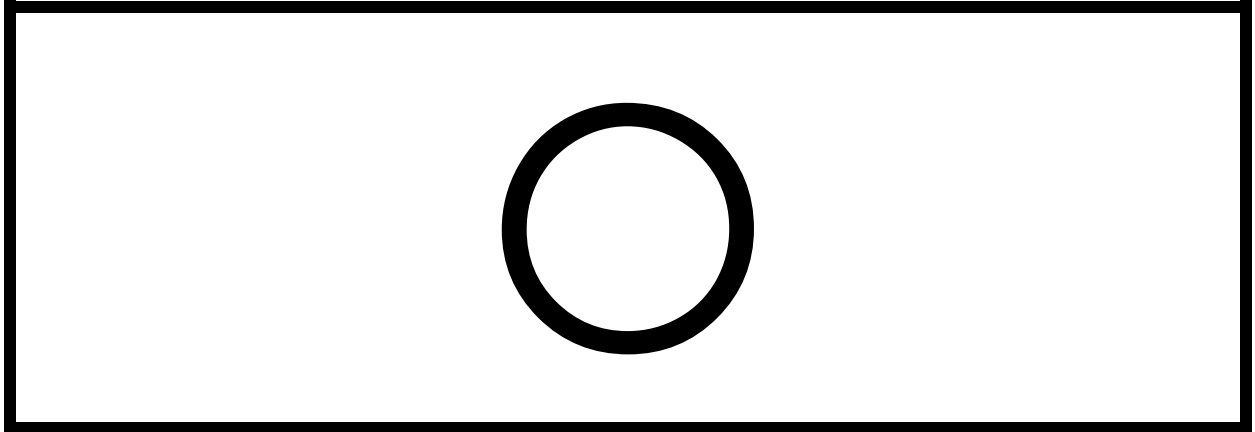
CDR:tfw

P:\LoanProg\TaxCredit Projects\CM letter of support for SpratleyHouse to VHDA 2019.docx

N

Homeownership Plan

**Not Applicable**



Plan of Development  
Certification Letter

**Not Applicable**



P

Copies of 8609s to  
Certify Developer  
Experience and  
Partnership agreements

## VHDA Experienced LIHTC Developers

### Notes:

Updated: 11/9/2018

I Listed if 'named' Controlling General Partner or Managing Member (as confirmed by supporting documentation)

I Listed if documentation supported at least 6 LIHTC developments

I Listed if a principal who has developed at least 3 LIHTC deals and has at least \$500,000 in liquid assets

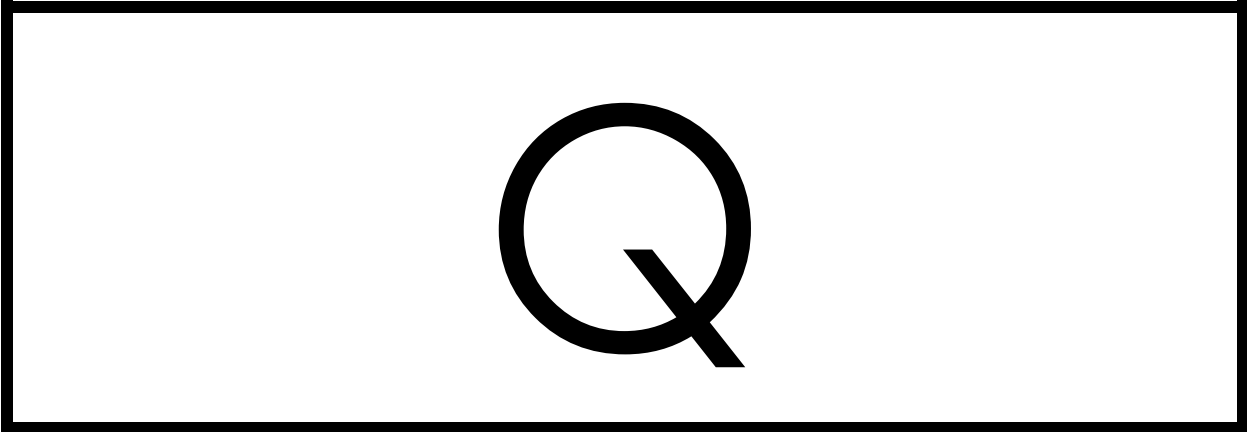
See LIHTC Manual for instructions on being added to this list

### INDIVIDUALS

1 Alexander, Randall P.	28 Gardner, Mark E.	55 Park, Richard A.
2 Arista, Roberto	29 Gunderman, Timothy L.	56 Park, William N.
3 Barnhart, Richard K.	30 Haskins, Robert G.	57 Pasquesi, R.J.
4 Baron, Richard	31 Heatwole, F. Andrew	58 Pedigo, Gerald K.
5 Bennett, Vincent R.	32 Honeycutt, Thomas W.	59 Poulin, Brian M.
6 Burns, Laura P.	33 Hunt, Michael C.	60 Queener, Brad
7 Cohen, Howard Earl	34 Jester, M. David	61 Ripley, F. Scott
8 Connelly, T. Kevin	35 Johnston, Thomas M.	62 Ripley, Ronald C.
9 Connors, Cathy	36 Jones Kirkland, Janice	63 Ross, Stephen M.
10 Copeland, M. Scott	37 Kirkland, Milton L.	64 Salazar, Tony
11 Copeland, Robert O.	38 Kittle, Jeffery L.	65 Sari, Lisa A.
12 Copeland, Todd A.	39 Koogler, David M.	66 Sinito, Frank T.
13 Cordingley, Bruce A.	40 Koogler, David Mark	67 Stockmaster, Adam J.
14 Counselman, Richard	41 Lancaster, Dale	68 Stoffregen, Phillip J.
15 Crosland, Jr., John	42 Lawson, Phillip O.	69 Surber, Jen
16 Curtis, Lawrence H.	43 Lawson, Steve	70 Valey, Ernst
17 Daigle, Marc	44 Leon, Miles B.	71 Uram, David
18 Dambly, Mark H.	45 Lewis, David R.	72 Woda, Jeffrey J.
19 Deutch, David O.	46 Margolis, Robert B.	73 Wohl, Michael D.
20 Dischinger, Chris	47 McCormack, Kevin	74 Wolfson, III, Louis
21 Douglas, David D.	48 McNamara, Michael L.	
22 Ellis, Gary D.	49 Melton, Melvin B.	
23 Fekas, William L.	50 Midura, Ronald J.	
24 Fitch, Hollis M.	51 Mirmelstein, George	
25 Fore, Richard L.	52 Nelson, IV, John M.	
26 Franklin, Wendell C.	53 Orth, Kevin	
27 Friedman, Mitchell M.	54 Parent, Brian	

### NON-PROFITS, LHAs & (PUBLICLY TRADED) CORPORATIONS

- 1 AHC, Inc.
- 2 Alexandria RHA
- 3 Arlington Partnership for Affordable Housing (APAH)
- 4 Better Housing Coalition
- 5 Buckeye Community Hope Foundation
- 6 Community Housing Partners
- 7 Community Housing, Inc.
- 8 ElderHomes (dba Project: Homes)
- 9 Enterprise Homes, Inc
- 10 Fairfax County RHA
- 11 Homes for America, Inc.
- 12 Humanities Foundation, Inc.
- 13 Huntington Housing, Inc.
- 14 Newport News RHA
- 15 NHT-Enterprise Preservation Corporation
- 16 Norfolk Redevelopment Housing Authority
- 17 People Incorporated
- 18 Piedmont Housing Alliance
- 19 Portsmouth RHA
- 20 RHA/Housing, Inc.
- 21 The Community Builders
- 22 Virginia Supportive Housing
- 23 Virginia United Methodist Housing Development Corporation
- 24 Wesley Housing Development Corporation



Q

Documentation of Rental  
Assistance



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

November 20, 2018

Karen R. Wilds  
Executive Director  
Newport News Redevelopment & Housing Authority  
PO Box 797  
Newport News, VA 23607-0077

Dear Ms. Wilds:

Thank you for your application under the Rental Assistance Demonstration (RAD) for the conversion of assistance of 50 units to Project Based Rental Assistance at the following PIC Development VA003000321, SPRATLEY HOUSE.

We are pleased to approve your request for conversion as described in the application, subject to the conditions below.

This award letter serves as the Department's Commitment to Enter into a Housing Assistance Payments (CHAP) for the above-referenced project, provided the Owner meets all the requirements contained in the PIH Notice 2012-32, Revision 3 ("Notice") and all subsequent revisions. In addition, the owner must comply with all "CHAP Milestones" identified in section 1.12 of the Notice as applicable.

This award is issued pursuant to the Consolidated and Further Continuing Appropriations Act, 2012, Pub. L. No. 112-55, approved November 18, 2011, the Consolidated and Further Continuing Appropriations Act of 2015 (P.L. 113-235), approved December 6, 2014; the 2017 Consolidated Appropriations Act (P.L. 115-31), approved May 5, 2017, and the Consolidated Appropriations Act of 2018 (P.L. 115-141), approved March 23, 2018; section 8 of the United States Housing Act of 1937 (Act), 42 U.S.C. 1437 et seq.; and the Department of Housing and Urban Development Act, 42 U.S.C. 3531 et seq. The purpose of this award is to begin the process of effectuating the conversion of Public Housing to a form of project-based assistance under section 8 of the Act. This award cannot be transferred without the prior written consent of HUD.

In order to convert your project, the PHA must fulfill the CHAP milestones and deadlines identified in section 1.12 of the Notice. HUD will rely solely on documents and certifications the PHA submits through the RAD Resource Desk to monitor compliance with CHAP milestones. If HUD, in its sole judgment, determines that the PHA fails to meet any of the requirements, the CHAP will be revoked, unless the PHA submits and HUD approves a request for a deadline extension. Any extension request must include both a justification and an explanation of why failure to meet the milestone will not jeopardize the PHA's ability to complete the RAD conversion. Approval of any request for an extension is at HUD's sole discretion.

Within 30 days of CHAP issuance, you must **confirm your acceptance of a CHAP by submitting an application into the Inventory Removals module in PIC** in order to identify the units that will be removed from public housing Annual Contributions Contract (ACC) when the project completes conversion. HUD has made instructions for submitting a Removal Application into PIC available at [www.radresource.net](http://www.radresource.net).<sup>34</sup> Failure to submit a Removal application into PIC will result in a suspension of the CHAP and a revocation if not corrected within a reasonable time period. Contact your PIH Field Office if you have any questions about this submission.

As the award is a conditional commitment by HUD, HUD reserves the right to revoke or amend its commitment at any time prior to closing if HUD, in its sole judgment, determines that any of the following conditions are present:

- A. any of the contract units were not eligible for selection;
- B. the proposed conversion is not or will not be financially feasible;
- C. the Owner fails to meet any applicable deadline;
- D. the Owner fails to cooperate;
- E. there is any violation of program rules, including fraud; or
- F. the terms of the conversion would be inconsistent with fair housing and civil rights laws or a fair housing or civil rights court order, settlement agreement, or voluntary compliance agreement.

This award shall be interpreted and implemented in accordance with all statutory requirements, and with all HUD requirements, including amendments or changes in HUD requirements, the Notice, and all other applicable RAD guidance.

As you start the process of conversion, we urge you to continue to maintain an open dialogue with your residents and local officials. If you have any questions or concerns regarding

---

<sup>34</sup> See [www.radresource.net](http://www.radresource.net) > Document Library > PIC Removal – Instructions for PHAs

the conversion process or fulfilling the CHAP Milestones, please contact your RAD Transaction Manager.

Sincerely,

A handwritten signature in blue ink that reads "Susan A. Wilson". The signature is written in a cursive style with a large initial 'S'.

Susan A. Wilson  
Director  
Office of Public and Indian Housing

Enclosure

**EXHIBIT A**

**IDENTIFICATION OF UNITS (“CONTRACT UNITS”)  
BY SIZE AND APPLICABLE CONTRACT RENTS**

The Contract Rents below for the subject project are based on modified Fiscal Year 2016 Federal Appropriations and assumptions regarding applicable rent caps. The final RAD contracts rents, which will be reflected in the RAD HAP contract, will be based on modified Fiscal Year 2016 Federal Appropriations, as well as applicable program rent caps and Operating Cost Adjustment Factors (OCAFs), and, as such, may change. In addition, prior to conversion, the PHA must provide HUD updated utility allowances to be included in the HAP contract.

**Existing PIC Development Number: VA003000321**

**PIC Development Number for Tracking Purposes Only\*: VA003000321B**

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
42	1	\$503	\$0	\$503
8	2	\$607	\$0	\$607



# City of Newport News

Virginia 23607

2400 Washington Avenue  
(757) 926-8411  
Fax (757) 926-3503

Office Of The City Manager

March 13, 2019

Karen R. Wilds  
Executive Director  
Newport News Redevelopment  
And Housing Authority  
227 27th Street  
Newport News, VA 23607

RE: Confirmation of Payments in Lieu of Taxes for Spratley House Apartments  
651 25th Street, Newport News, VA

Dear Ms. Wilds,

This correspondence confirms the City's intention that the referenced apartments, consisting of 50 units to be rehabilitated, will be treated like all other Rental Assistance Demonstration converted properties as it relates to a real estate tax rebate. This will ensure the property will continue to pay an amount equal to the payments in lieu of taxes as agreed upon by the City of Newport News and the Newport News Redevelopment and Housing Authority (NNRHA), in a Cooperation Agreement dated February 14, 1978 and to the extent permitted by Federal and State laws and regulations.

From information and assurances provided by NNRHA, the City understands that the Spratley House Apartments will be conveyed to Spratley House, LLC. This will be done in order to utilize development resources provided through the Low Income Housing Tax Credit (LIHTC) program. It is further understood that all units rehabilitated by the limited partnership will be used for "low rent housing purposes" and that the partnership is established and will be administered compliant to applicable Federal and State laws.

The City of Newport News appreciates the efforts of NNRHA to provide housing assistance to lower income seniors in Newport News. We look forward to our continued partnership to improve the quality of housing for all Newport News citizens.

Sincerely,

Cynthia D. Rohlf  
City Manager

CDR:krw:tfw

P:\LoanProg\TaxCredit Projects\Spratley House-Ltr fromCityfor(PILOT)Payments in Lieu of Taxes 3.11.19.docx



R

Documentation of  
Operating Budget



Printed By: Lisa Dessoffy

**Budgeted Revenue and Expense Statement for Fund**  
**[SPRATLEY HOUSE AMP]**  
 Jan Actual vs Budget ID [PH 2019] (Year 2019)

	Period-to-Date			Year-to-Date			Annual		
	Budget	Actual	Available	Budget	Actual	Available	Budget	Actual	Available
Administrative salaries									
ADM EXP-SALARIES	2,236.25	2,076.08	160.17	15,653.75	14,936.60	717.15	26,835.00	15,974.65	10,860.35
OCCUPANCY SALARIES	260.75	0.00	260.75	1,825.25	432.16	1,393.09	3,129.00	432.16	2,696.84
RENT COLLECTION SALARIES	32.33	32.50	(0.17)	226.31	232.70	(6.39)	388.00	232.70	155.30
Terminal Leave Expense	51.00	0.00	51.00	357.00	0.00	357.00	612.00	0.00	612.00
Total Administrative salaries	2,580.33	2,108.58	471.75	18,062.31	15,601.46	2,460.85	30,964.00	16,639.51	14,324.49
Auditing fees									
ADM EXP-AUDIT	115.33	0.00	115.33	807.31	0.00	807.31	1,384.00	407.00	977.00
Total Auditing fees	115.33	0.00	115.33	807.31	0.00	807.31	1,384.00	407.00	977.00
Outside management fees									
PROPERTY MANAGEMENT FEES	3,203.42	3,155.11	48.31	22,423.94	22,472.11	(48.17)	38,441.00	22,472.11	15,968.89
Total Outside management fees	3,203.42	3,155.11	48.31	22,423.94	22,472.11	(48.17)	38,441.00	22,472.11	15,968.89
Book-keeping Fee									
BOOKKEEPING FEES	373.17	367.50	5.67	2,612.19	2,617.50	(5.31)	4,478.00	2,617.50	1,860.50
Total Book-keeping Fee	373.17	367.50	5.67	2,612.19	2,617.50	(5.31)	4,478.00	2,617.50	1,860.50
Advertising and Marketing									
ADVERTISING & MARKETING	79.17	0.00	79.17	554.19	141.90	412.29	950.00	141.90	808.10
Total Advertising and Marketing	79.17	0.00	79.17	554.19	141.90	412.29	950.00	141.90	808.10
Employee benefit contributions- adm									
GENERAL EXP EMP BENEFITS	1,869.67	1,596.12	273.55	13,087.69	9,652.03	3,435.66	22,436.00	10,457.69	11,978.31
OPEB EXPENSE	0.00	70.28	(70.28)	0.00	558.83	(558.83)	0.00	558.83	(558.83)
Total Employee benefit contributions- adm	1,869.67	1,666.40	203.27	13,087.69	10,210.86	2,876.83	22,436.00	11,016.52	11,419.48
Office Expenses									
Office Rent	0.00	53.14	(53.14)	0.00	354.94	(354.94)	0.00	354.94	(354.94)
OFFICE SUPPLIES	0.00	65.34	(65.34)	0.00	1,097.62	(1,097.62)	0.00	1,097.62	(1,097.62)
REPAIRS/RENTALS	0.00	0.00	0.00	0.00	300.99	(300.99)	0.00	378.99	(378.99)
PRINTING	0.00	156.57	(156.57)	0.00	339.53	(339.53)	0.00	339.53	(339.53)

Printed By: Lisa Dessoffy

**Budgeted Revenue and Expense Statement for Fund**

**[SPRATLEY HOUSE AMP]**

Jan Actual vs Budget ID [PH 2019] (Year 2019)

	Period-to-Date			Year-to-Date			Annual		
	Budget	Actual	Available	Budget	Actual	Available	Budget	Actual	Available
TELEPHONE	0.00	695.46	(695.46)	0.00	2,496.62	(2,496.62)	0.00	2,838.86	(2,838.86)
ADM EXP-POSTAGE	0.00	23.29	(23.29)	0.00	155.98	(155.98)	0.00	155.98	(155.98)
ADM EXP-OTHER	1,038.08	73.02	965.06	7,266.56	467.26	6,799.30	12,457.00	513.16	11,943.84
EXPEND FURN. EQUIP. MACH	0.00	73.08	(73.08)	0.00	1,244.99	(1,244.99)	0.00	1,244.99	(1,244.99)
CONTRACTS/OTHER	0.00	13.36	(13.36)	0.00	1,045.45	(1,045.45)	0.00	1,045.45	(1,045.45)
Total Office Expenses	1,038.08	1,153.26	(115.18)	7,266.56	7,503.38	(236.82)	12,457.00	7,969.52	4,487.48
Legal Expense									
LEGAL	25.00	40.58	(15.58)	175.00	196.41	(21.41)	300.00	196.41	103.59
Total Legal Expense	25.00	40.58	(15.58)	175.00	196.41	(21.41)	300.00	196.41	103.59
Travel									
ADM STAFF TRAINING	130.00	(30.24)	160.24	910.00	767.05	142.95	1,560.00	767.05	792.95
LOCAL TRAVEL	2.08	0.47	1.61	14.56	0.47	14.09	25.00	0.47	24.53
Total Travel	132.08	(29.77)	161.85	924.56	767.52	157.04	1,585.00	767.52	817.48
Other									
COLL./COURT COSTS	0.00	11.38	(11.38)	0.00	11.38	(11.38)	0.00	11.38	(11.38)
Total Other	0.00	11.38	(11.38)	0.00	11.38	(11.38)	0.00	11.38	(11.38)
Asset Management Fee									
ASSET MANAGEMENT FEES	500.00	0.00	500.00	3,500.00	0.00	3,500.00	6,000.00	0.00	6,000.00
Total Asset Management Fee	500.00	0.00	500.00	3,500.00	0.00	3,500.00	6,000.00	0.00	6,000.00
Tenant services - salaries									
TEN/SERV/SALARIES	425.00	399.20	25.80	2,975.00	2,818.48	156.52	5,100.00	3,018.08	2,081.92
Total Tenant services - salaries	425.00	399.20	25.80	2,975.00	2,818.48	156.52	5,100.00	3,018.08	2,081.92
Tenant services - other									
TENANT SERV COSTS	102.08	0.00	102.08	714.56	0.00	714.56	1,225.00	0.00	1,225.00
T/S TENANT ADVISORY BOARD	0.00	10.96	(10.96)	0.00	38.02	(38.02)	0.00	38.02	(38.02)
T/S NEWS & NEIGHBORS	0.00	0.00	0.00	0.00	297.96	(297.96)	0.00	403.96	(403.96)
T/S-OTHER	0.00	0.00	0.00	0.00	37.90	(37.90)	0.00	37.90	(37.90)

Printed By: Lisa Dessoffy

**Budgeted Revenue and Expense Statement for Fund**  
**[SPRATLEY HOUSE AMP]**  
 Jan Actual vs Budget ID [PH 2019] (Year 2019)

	Period-to-Date			Year-to-Date			Annual		
	Budget	Actual	Available	Budget	Actual	Available	Budget	Actual	Available
Total Tenant services - other	102.08	10.96	91.12	714.56	373.88	340.68	1,225.00	479.88	745.12
Water									
UTILITIES-WATER	676.67	1,036.05	(359.38)	4,736.69	5,006.94	(270.25)	8,120.00	5,006.94	3,113.06
Total Water	676.67	1,036.05	(359.38)	4,736.69	5,006.94	(270.25)	8,120.00	5,006.94	3,113.06
Electricity									
UTILITIES-ELECTRICITY	2,949.17	3,173.51	(224.34)	20,644.19	20,921.85	(277.66)	35,390.00	23,712.97	11,677.03
Total Electricity	2,949.17	3,173.51	(224.34)	20,644.19	20,921.85	(277.66)	35,390.00	23,712.97	11,677.03
Gas									
UTILITIES-GAS	666.67	1,204.44	(537.77)	4,666.69	3,032.40	1,634.29	8,000.00	4,152.78	3,847.22
Total Gas	666.67	1,204.44	(537.77)	4,666.69	3,032.40	1,634.29	8,000.00	4,152.78	3,847.22
Sewer									
UTILITIES-SANITATION	1,530.00	2,324.92	(794.92)	10,710.00	15,042.00	(4,332.00)	18,360.00	15,042.00	3,318.00
Total Sewer	1,530.00	2,324.92	(794.92)	10,710.00	15,042.00	(4,332.00)	18,360.00	15,042.00	3,318.00
Ordinary maintenance and operations									
MAINTENANCE-SALARIES	1,471.33	1,514.33	(43.00)	10,299.31	9,572.61	726.70	17,656.00	10,303.17	7,352.83
HVAC FEE FOR SERVICE	446.25	225.00	221.25	3,123.75	6,999.75	(3,876.00)	5,355.00	6,999.75	(1,644.75)
Specialized Maintenance Salaries	175.00	60.43	114.57	1,225.00	483.45	741.55	2,100.00	483.45	1,616.55
MAINT OVERTIME	83.83	0.00	83.83	586.81	0.00	586.81	1,006.00	0.00	1,006.00
ELEVATOR CONTRACT	216.67	0.00	216.67	1,516.69	1,940.68	(423.99)	2,600.00	1,940.68	659.32
MAINTENANCE MATERIALS	648.42	0.00	648.42	4,538.94	0.00	4,538.94	7,781.00	0.00	7,781.00
MTRLS-S-ANITRIAL	0.00	119.59	(119.59)	0.00	990.25	(990.25)	0.00	990.25	(990.25)
MTRLS-S-GROUNDS	0.00	225.99	(225.99)	0.00	555.36	(555.36)	0.00	555.36	(555.36)
MTRLS-S-STRUCTURES	0.00	60.87	(60.87)	0.00	655.36	(655.36)	0.00	674.86	(674.86)
MTRLS-S-PAINTING	0.00	0.00	0.00	0.00	409.32	(409.32)	0.00	409.32	(409.32)
MTRLS-S-PLUMBING	0.00	329.18	(329.18)	0.00	2,055.42	(2,055.42)	0.00	2,219.24	(2,219.24)
MTRLS-S-ELECTRICAL	0.00	56.91	(56.91)	0.00	1,898.82	(1,898.82)	0.00	2,086.17	(2,086.17)
MTRLS-S-HVAC	0.00	208.69	(208.69)	0.00	2,435.04	(2,435.04)	0.00	2,482.29	(2,482.29)



Printed By: Lisa Dessoffy

**Budgeted Revenue and Expense Statement for Fund**  
**[SPRATLEY HOUSE AMP]**  
 Jan Actual vs Budget ID [PH 2019] (Year 2019)

	Period-to-Date			Year-to-Date			Annual		
	Budget	Actual	Available	Budget	Actual	Available	Budget	Actual	Available
PRCT SERV MATERIALS	4.17	0.00	4.17	29.19	0.00	29.19	50.00	0.00	50.00
Total Protective services - other	4.17	0.00	4.17	29.19	0.00	29.19	50.00	0.00	50.00
Property Insurance									
PROPERTY INSURANCE	0.00	0.00	0.00	4,200.00	4,865.39	(665.39)	4,200.00	4,865.39	(665.39)
Total Property Insurance	0.00	0.00	0.00	4,200.00	4,865.39	(665.39)	4,200.00	4,865.39	(665.39)
Liability Insurance									
LIABILITY INSURANCE	0.00	0.00	0.00	1,500.00	1,458.72	41.28	1,500.00	1,458.72	41.28
Total Liability Insurance	0.00	0.00	0.00	1,500.00	1,458.72	41.28	1,500.00	1,458.72	41.28
Workmen's Compensation									
WORKERS COMPENSATION INS	0.00	0.00	0.00	0.00	0.00	0.00	1,823.00	0.00	1,823.00
Total Workmen's Compensation	0.00	0.00	0.00	0.00	0.00	0.00	1,823.00	0.00	1,823.00
All Other Insurance									
AUTO INSURANCE	0.00	0.00	0.00	400.00	445.60	(45.60)	400.00	445.60	(45.60)
Total All Other Insurance	0.00	0.00	0.00	400.00	445.60	(45.60)	400.00	445.60	(45.60)
Other General Expenses									
SUB/PERIODICALS	0.00	0.00	0.00	0.00	47.78	(47.78)	0.00	47.78	(47.78)
MEMBERSHIP DUES	0.00	0.00	0.00	0.00	98.77	(98.77)	0.00	98.77	(98.77)
GEN EXP OTHER	29.17	0.00	29.17	204.19	0.00	204.19	350.00	0.00	350.00
Total Other General Expenses	29.17	0.00	29.17	204.19	146.55	57.64	350.00	146.55	203.45
Payments in lieu of taxes									
PL OT (Payment in Lieu Taxes)	714.08	0.00	714.08	4,998.56	0.00	4,998.56	8,569.00	0.00	8,569.00
Total Payments in lieu of taxes	714.08	0.00	714.08	4,998.56	0.00	4,998.56	8,569.00	0.00	8,569.00
Bad debt - tenant rents									
Collection Losses	259.25	(284.61)	543.86	1,814.75	(284.61)	2,099.36	3,111.00	(284.61)	3,395.61
Total Bad debt - tenant rents	259.25	(284.61)	543.86	1,814.75	(284.61)	2,099.36	3,111.00	(284.61)	3,395.61
Extraordinary maintenance									
N/R MAINT-MATERIALS	33.33	0.00	33.33	233.31	0.00	233.31	400.00	0.00	400.00

**Budgeted Revenue and Expense Statement for Fund**

**[SPRATLEY HOUSE AMP]**

Jan Actual vs Budget ID [PH 2019] (Year 2019)

	Period-to-Date		Year-to-Date		Annual							
	Budget	Actual	Available	Budget	Actual	Available						
Total Extraordinary maintenance	33.33	0.00	33.33	233.31	0.00	233.31	Budget	400.00	Actual	0.00	Available	400.00
Total Operating Expenses	24,390.27	24,281.93	108.34	176,831.89	184,097.30	(7,265.41)	Budget	300,606.00	Actual	193,504.52	Available	107,101.48
Total Expense 1	24,390.27	24,281.93	108.34	176,831.89	184,097.30	0.00	Budget	300,606.00	Actual	193,504.52	Available	107,101.48
Total Expenses	24,390.27	24,281.93	108.34	176,831.89	184,097.30	0.00	Budget	300,606.00	Actual	193,504.52	Available	107,101.48
* Net surplus <deficit> *	813.31	(4,931.63)	5,744.94	(406.83)	(37,324.66)	36,917.83	Budget	1,837.00	Actual	(40,510.95)	Available	42,347.95
Net Income	813.31	(4,931.63)	5,744.94	(406.83)	(37,324.66)	36,917.83	Budget	1,837.00	Actual	(40,510.95)	Available	42,347.95

**CRITERIA**

Detail Report Sorted by Fund + Sub-Acct

Specific Option(s):  
 1.) Period : Jan  
 2.) Budget ID : "PH 2019"

Filter(s):  
 Fund : "221"

- 3.) Individual
- 4.) Do Not Consolidate All Segments
- 5.) Revenue & Expense Statement
- 6.) Budgeted vs Actual
- 7.) Show Variance
- 8.) Availability
- 9.) Account ID Not Included
- \*) Zero Balance Accounts Not Included
- \*) Show Amount Over Budget
- 12.) Include Permanently Restricted Fund
- 13.) Include Temporarily Restricted Fund
- 14.) Include General Operating Fund
- 15.) Include Plant or Fixed Assets
- 16.) Include Temporarily Restricted Endowment
- 17.) Include Permanently Restricted Endowment
- 18.) Include Board Designated
- 19.) Include Other



S

Supportive Housing  
Certification

# Spratley House

## VHDA Permanent Supportive Housing Services Certification

Permanent Supportive Housing is housing consisting of units designated for individuals or families that are homeless, at-risk of homelessness or who have multiple barriers to independent living.

Best practices are described by the U.S. Department of Health and Human Services:

<http://store.samhsa.gov/shin/content/SMA10-4510/SMA10-4510-06-BuildingYourProgram-PSH.pdf>

For consideration, provide **all** of the following:

1. Attach a list of developments for which you've provided permanent supportive housing services. Describe the types of services that were provided.

2. A signed copy of an MOU with a local service provider agency(ies). If no MOU exists, the service provider must sign this certification. If neither is available, provide an explanation for the lack of demonstrated partnership and describe how the property will receive referrals and from whom the residents will receive services.

3. Describe your target population(s).

See attached -	
20% (total 10) of units in Spratley House.	

4. List the types of supportive services to be offered.

See attached.	

5. Who will be providing supportive services?

See attached.	

6. What percentage of the total number of units will be marketed to and held available for tenants in need of supportive services?

20 %

In addition, I/we certify the following:

### Services

**Tenant choice.** Supportive housing tenants will have choices in what support services they receive (i.e., not a limited menu of services). Individual Support Plans will reflect tenant-defined needs and preferences. As supportive service tenants' needs change over time, tenants can receive more or less intensive support services.

**Assertive outreach and engagement.** The service team will use a variety of outreach and engagement techniques to bring tenants into helping relationships.

**Case management.** Case managers will serve as the bridge between tenants and the supports that help them achieve stability and long-term tenancy.

**Recovery supports.** Services will include at least one of the following:

- Mainstream supports, e.g., income supports from public benefits programs, healthcare from hospitals and clinics and employment help from vocational agencies
- Specialized supports, e.g., life skills training, budgeting, medication management and behavioral health treatment
- Natural supports, e.g., connections with peers, family, community and faith communities

## Housing

**Tenant choice.** Supportive housing tenants will be able to choose where they want to live. Tenants cannot be evicted from their housing for rejecting services.

**Access.** Supportive housing units will be available to people who are experiencing homelessness, are precariously housed and/or who have multiple barriers to housing stability, including disabilities and substance abuse.

**Quality.** Supportive housing units will be similar to other units in the project.

**Integration.** Supportive housing tenants with disabilities will have a right to receive housing and supportive services in the most integrated settings available, including in buildings that include neighbors who do not have disabilities and where there is access to an array of community services and resources used by people with and without disabilities.

**Rights of tenancy.** Supportive housing tenant leases or subleases will confer full rights of tenancy, including limitations on landlords' entry into the property and the right to challenge eviction in landlord-tenant court. Tenants can remain in their homes as long as the basic requirements of tenancy are met—paying the rent, not interfering with other tenants' use of their homes, not causing property damage, etc. House rules, if any, are similar to those found in other housing.

**Affordability.** Supportive housing tenants should pay no more than 30% of their incomes toward rent and basic utilities.

**Coordination between housing and services.** Property managers and support service staff will stay in regular communication and coordinate their efforts to help prevent evictions and to ensure tenants facing eviction have access to necessary services and supports.

**Delineated roles.** There will be a functional separation of roles, with the housing elements (rent collection, property maintenance, enforcement of responsibilities of tenancy) carried out by different staff than those providing services (case management, mental health treatment, wraparound services).

The undersigned Owner certifies that each of the above statements is true and correct.

I/We agree that the commitment to provide supportive housing will remain in place throughout the Compliance Period (as described in the Extended Use Agreement).

\_\_\_\_\_  
Date

\_\_\_\_\_  
Owner/Applicant

By: \_\_\_\_\_

Its: \_\_\_\_\_

Title

\_\_\_\_\_  
Service Provider

By: \_\_\_\_\_

Its: \_\_\_\_\_

Title

## VHDA Permanent Supportive Housing Services Certification

1. Attach a list of developments for which you've provided supportive housing services. Describe the types of services that were provided.

1. Ridley Place (259)
2. Marshall Courts (348)
3. Spratley House (50)
4. Orcutt Townhomes I (40)
5. Ashe Manor (50)
6. Pinecroft (140)
7. Aqueduct (262)

Transitions Family Violence Services – Annual Domestic Violence Awareness workshops held in the month of October to educate, provide awareness and offer support and assistance. Residents are encouraged to share the information within their communities. Residents are also provided the information from staff as needed.

Family & Youth Foundation Counseling Service – Referrals for individual and family mental health and behavior counseling. The agency attends NNRHA events and Family Investment Center orientations to provide information to NNRHA residents.

Eastern Virginia Advance Care (EVAC) – Referrals for individual and family mental health counseling, mentoring and empowerment. The agency attends NNRHA events and FIC orientations to provide information to NNRHA residents.

Odyssey Community Services – Referrals for individual and family mental health and behavior counseling. The agency hosted workshops at the Family Investment Center and Kline Building to bring awareness and provide information to NNRHA residents.

Department of Aging and Rehabilitative Services (DARS) – Referrals for NNRHA residents with disabilities that have limited them from full working capacity.

Volunteer Income Tax Assistance (VITA) Program – The Newport News Redevelopment and Housing Authority, in partnership with the Internal Revenue Service (IRS) VITA Program, provide free tax preparation and online filing to residents. The VITA site is located at the Family Investment Center. The goal of NNRHA, through the VITA Program, is to educate residents on the various tax credits available to them as well as to minimize the number of targeted taxpayers not receiving their entitled tax returns due to costly fees or poor tax preparation generated by professional tax agencies.

Family Self-Sufficiency (FSS) Program – HCV and Public Housing program families are offered an opportunity to achieve self-reliance and economic independence through this program. FSS establishes an escrow savings account for each participating family once

a family member becomes employed or receives an increase in employment income. This is a great program for residents interested in homeownership.

Senior Citizens Health and Information Fair – Senior Citizens typically have health-related concerns and are not aware of the numerous community-based resources that are available to them. Each year NNRHA sponsors a Senior Citizens Health and Information Fair to provide our Senior Citizens with current information regarding health services and other services available to them. Approximately forty exhibitors from various agencies and community services participate each year.

MEMORANDUM OF AGREEMENT BETWEEN THE  
NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY  
AND  
NEWPORT NEWS DEPARTMENT OF HUMAN SERVICES

This agreement is entered into by the Newport News Redevelopment and Housing Authority, a political sub-division of the Commonwealth of Virginia, hereinafter referred to as "NNRHA" and Newport News Department of Human Services, hereinafter referred to as "DHS". The parties hereto agree as follows.

**Whereas**, the Quality Housing and Work Responsibility Act (hereinafter referred to as "PHRA", the Public Housing Reform Act) envisions that PHAs and social service agencies target services to families who receive housing assistance, and work together to help these families to be self-sufficient.

**Whereas**, NNRHA and DHS recognize the significant overlap in the population receiving public assistance and living in public housing or receiving Housing Choice Voucher tenant based assistance;

**Whereas**, NNRHA and DHS recognize that these families have the potential to succeed and become economically self-sufficient where adequate supportive services are provided;

**Whereas**, NNRHA and DHS recognize that coordinated administrative practices aimed at jointly assisting families in becoming economically self-sufficient so that efforts are not duplicated allow for the strengths of both NNRHA and DHS to be used to maximize services;

**Whereas**, NNRHA and DHS recognize the need for a streamlined process to collect, verify and provide information as necessary to either party in a timely manner to ensure efficient delivery of service, and to detect and deter participant fraud and noncompliance;

**Whereas**, NNRHA will provide meeting space for employment related workshops and/or services provided by DHS for families receiving public assistance and living in public housing or receiving tenant based Section 8 assistance;

**Whereas**, NNRHA will provide information for families receiving public assistance and living in public housing or receiving tenant based Section 8 assistance to participate in the Family Self-Sufficiency (FSS) program;

**Whereas**, NNRHA and DHS meet quarterly at the Welfare Reform Committee to identify areas of coordination to avoid duplication of service delivery and ways to combine or maximize scarce resources;

**Whereas**, NNRHA will work to assist families to remain housed through coordination with the Housing Broker Team at the DHS;

**Whereas**, NNRHA and DHS will work together to provide high quality customer service to families participating in the HCVP pilot Family Unification Program;

**Whereas**, NNRHA will closely monitor and coordinate with DHS regarding the Department of Housing and Urban Development mandated Community Services Self-Sufficiency Requirements exemption for public housing tenants who are members of the family receiving SNAP assistance;

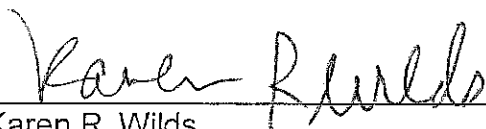
**Therefore**, be it resolved that the parties agree that it is in the best interest of all parties concerned to coordinate and to share information and services aimed at helping our mutually served population.

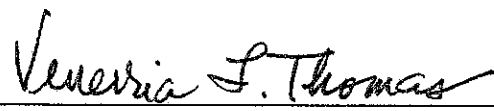
All information concerning a mutual client required by either NNRHA or DHS shall be provided only with the written permission of the client in compliance with federal, state and local statutes.

Both NNRHA and DHS shall keep each other apprised of any information that will affect current or prospective mutual clients. This information includes policy and procedural changes, updates, guidelines and eligibility criteria.

This Agreement will become effective on October 1, 2015.

Witness the following signatures:

  
\_\_\_\_\_  
Karen R. Wilds  
Executive Director, NNRHA

  
\_\_\_\_\_  
Venerria Thomas  
Director  
Newport News Department of Human Services

## 3. Describe your target population (s).

Spratley HouseAge

50 – 54	10%
55 – 61	27%
62 – 65	10%
66+	53%

Years of Residency

1 – 5 years	45%
6 – 10 years	10%
11 – 20 years	31%
21 years+	14%

Families Receiving Assistance

SSI	13
SS	33
Pension	5
TANF	6
General Assistance	24
Earned Income	5

Average Annual Income

\$11,574.00



4. List the types of supportive services to be offered.
  - A. Mental Health Counseling.
  - B. Family Services.
  - C. Annual assessments for residents experiencing challenges.
  - D. Senior Citizen and Disabled Families Information Fairs.
  - E. Assist with SNAP and Medicaid renewals and application.
  - F. Coordinate and provide ongoing educational programs related to physical and mental health, finance and overall wellness.
  - G. Home management classes for new residents.

**Local Government**

Newport News Department of Human Services (NNDHS) – APS referrals, UAI screenings for personal care, Medicaid, SNAP

**Medical**

InnovAge/PACE – referrals to PACE – all inclusive medical care to seniors/alternative to nursing facilities, provides blood pressure checks at senior communities.

JenCare – referrals to JenCare – primary and specialty care medical practice for seniors with Medicaid, provide transportation, onsite medical care, exercise programs and activities.

Alzheimer's Organization – refer to supportive programs in the community.

Virginia Department of Health (VDH) – dental services, health related programs to senior communities.

**Community Resources**

Peninsula Agency on Aging – Meals on Wheels, Personal Care, transportation to medical appointments, Diabetes, Balance Workshops (6 wks), resource referral.

LINK – providing basic necessities for residents in emergency situations, new residents/once homeless.

Virginia Cooperative Extension (VCE) – provides programs to senior communities on stress, financial literacy, healthy eating.

Legal Aid – Coordinated onsite individual consults for senior residents with an attorney (Power of Attorney, Advance Medical Directives, Wills).

Serve the City – volunteer organization interacts with residents monthly at Spratley House.

Boys and Girls Club – interact with seniors in communities.

**Insurance**

Independent Insurance Brokers – consult with residents on their insurance benefits and plans that best meet their individual needs.

BayAging – Virginia Insurance Counseling (VICAP), provides programs to senior communities.

**Mental Health**

Hampton-Newport News Community Services Board (HNNCSB) – crisis services, psychiatric assessments and appointments, individual therapy.

Insight Enterprises – Center for independent living, case management (vision impaired, mental health, etc.)

Kreative Milestones – referrals for mental health support and skill building.

Central Park Behavioral Health – referrals for crisis, mental health support and skill building.

From Start to Finish – mental health support.

National Counseling Group – referrals for crisis, mental health support and skill building.

FACES – mental health support.

**Home Health/Personal Care**

At Home Care – refer to memory care program.

Interim Healthcare – refer for personal care.

Medi Home Health – refer for personal care.

Amedisys – refer for personal care.

T

Funding Documentation



Karen R. Wilds  
*Executive Director*

BOARD OF  
COMMISSIONERS

M. Lou Call  
Chairman  
Gary B. Hunter  
Vice Chairman

Mark Hager  
Josephine W. Clark  
Kenneth D. Penrose, Jr.  
Lisa Wallace-Davis  
William C. Black

March 13, 2019

Mr. J.D. Bondurant  
LIHTC Program Director  
Virginia Housing Development Authority  
601 S. Belvidere Street  
Richmond, VA 23220-6500

Re: Spratley House LLC  
2019 C-11

Dear Mr. Bondurant:

The Newport News Redevelopment and Housing Authority (NNRHA) commits the following resources required to undertake the development/refurbishment of the Spratley House property in the City of Newport News, Virginia. This endeavor is also being undertaken in accordance with the Department of Housing and Urban Development's Rental Assistance Demonstration Program (RAD).

- \$1,305,000 representing local funds currently held by NNRHA and authorized for use in the financing of this project. This amount will appear as a loan in the LIHTC reservation application for this project.

If you have any questions or need further clarification please do not hesitate to call. We look forward to working with you on this project.

Sincerely,

Karen R. Wilds  
Executive Director



U

Documentation to  
Request Exception to  
Restriction-Pools with  
Little/No Increase in Rent  
Burdened Population

**Not Applicable**



V

Nonprofit or LHA Purchase  
Option or Right of First  
Refusal



**AMENDED AND RESTATED**  
**PURCHASE OPTION AND RIGHT OF FIRST REFUSAL AGREEMENT**

This Purchase Option and Right of First Refusal Agreement ("Purchase Agreement") is made as of the 12 day of March, 2019, by and between Spratley House LLC, a Virginia limited liability company (the "Company"), Newport News Redevelopment and Housing Authority, a Virginia body politic and corporate ("Grantee"), and Spratley House Development Corporation, a Virginia corporation (the "Manager").

Whereas, the Company was formed to acquire, construct, develop, improve, maintain, own, operate, lease, dispose of and otherwise deal with an apartment project to be known as Spratley House, located in Newport News, VA (the "Project"); and

Whereas, the Manager is wholly owned and controlled by Grantee; and

Whereas, Grantee has been and will be instrumental in the development of the Project and will act as guarantor of the obligations of the Manager in the continuation of the Company for the further development of the Project; and

Whereas, the Project is or will be subject to one or more governmental agency regulatory agreements (collectively, the "Regulatory Agreement") restricting its use to low-income housing and may become subject to a low-income use restriction (the "Special Covenant") pursuant to the terms and conditions of this Purchase Agreement (such use restrictions under the Regulatory Agreement and any Special Covenant being referred to collectively herein as the "Use Restrictions"); and

Whereas, Grantee and the Manager desire to provide for the continuation of the Project as low-income housing upon termination of the Company by Grantee purchasing the Project at the applicable price determined under this Purchase Agreement and operating the Project in accordance with the Use Restrictions;

Whereas, Grantee and the Manager have negotiated and required that the Company shall execute and deliver this Purchase Agreement in order to provide for such low-income housing; and

Whereas, Grantee, the Manager, and the Company entered into a Purchase Option and Right of First Refusal Agreement dated as of March 2, 2017 regarding the Project (the "2017 Purchase Agreement"), and the parties hereto intend that this Purchase Agreement is an amendment and restatement of the 2017 Purchase Agreement; and

Now, Therefore, in consideration of the premises herein and the payment by the Grantee to the Company of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Grant of Option.** The Company hereby grants to Grantee an option (the "Option") to purchase the real estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof, owned by the Company at the time of purchase (the "Property"), after the close of the fifteen (15) year compliance period for the low-income housing tax credits for the Project (the "Compliance Period") as determined under Section 42(i)(1) of the Internal Revenue Code of 1986, as amended (the "Code"), on the terms and conditions set forth in this Purchase Agreement and subject to the conditions precedent to exercise of the Option specified herein. The Project real estate is legally described in Exhibit A attached hereto and made a part hereof.

2. **Grant of Refusal Right.** In the event that the Company receives an offer to purchase the Project, Grantee shall have a right of first refusal to purchase the Property (the "Refusal Right") after the close of the Compliance Period, on the terms and conditions set forth in this Purchase Agreement and subject to the conditions precedent to exercise of the Refusal Right specified herein. In addition to all other applicable conditions set forth in this Purchase Agreement, (a) the foregoing grant of the Refusal Right shall be effective only if Grantee is currently and remains at all times hereafter, until (i) the Refusal Right has been exercised and the resulting purchase and sale has been closed or (ii) the Refusal Right has been assigned to a Permitted Assignee described in Section 10 hereof, whichever first occurs, a governmental entity or qualified nonprofit organization, as defined in Section 42(i)(7) and Section 42(h)(5)(C) of the Code, respectively, and (b) any assignment of the Refusal Right permitted under this Purchase Agreement and the Refusal Right so assigned shall be effective only if the assignee is at the time of the assignment and remains at all times thereafter, until the Refusal Right has been exercised and the resulting purchase and sale has been closed, a Permitted Assignee described in Section 10 hereof meeting the requirements of Section 42(i)(7)(A) of the Code. Prior to accepting any such bona fide offer to purchase the Property, the Company shall notify Grantee and the Manager, of such offer and deliver to each of them a copy thereof. The Company shall not accept any such offer unless and until the Refusal Right has expired without exercise by Grantee under Section 6 hereof.

3. **Purchase Price Under Option.** The purchase price for the Property pursuant to the Option shall be the greater of the following amounts, subject to the proviso set forth hereinbelow:

a. **Debt and Taxes.** An amount sufficient (i) to pay all debts (including Member loans) and liabilities of the Company upon its termination and liquidation as projected to occur immediately following the sale pursuant to the Option, and (ii) to distribute to the Members cash proceeds equal to the taxes projected to be imposed on the Members of the Company as a result of the sale pursuant to the Option; or

b. **Fair Market Value.** The fair market value of the Property, appraised as low-income housing to the extent continuation of such use is required under the Use Restrictions, any such appraisal to be made by a licensed appraiser, selected by the

Company's regular certified public accountants, who is a member of the Master Appraiser Institute and who has experience in the geographic area in which the Project is located;

provided, however, that if prior to exercise of the Option the Internal Revenue Service (the "Service") has issued a revenue ruling or provided a private letter ruling to the Company, or tax counsel to the Company has issued an opinion letter concluding that property of the nature and use of the Property may be sold under circumstances described in this Purchase Agreement at the greater of the price determined under Section 42(i)(7) of the Code or the price determined under subsection 3a hereinabove without limiting tax credits or deductions that would otherwise be available to members of the Company, then the Option price shall be such price.

4. **Purchase Price Under Refusal Right.** The purchase price for the Property pursuant to the Refusal Right shall be equal to the sum of (a) an amount sufficient to pay all debts (including member loans) and liabilities of the Company upon its termination and liquidation as projected to occur immediately following the sale pursuant to the Refusal Right (but excluding indebtedness incurred within the five-year period ending on the date of sale, as specified in Code §42(i)(7)(B)(i)), and (b) an amount sufficient to distribute to the Members cash proceeds equal to the taxes projected to be imposed on the Members of the Company as a result of the sale pursuant to the Refusal Right.

5. **Conditions Precedent.** Notwithstanding anything in this Purchase Agreement to the contrary, the Option and the Refusal Right granted hereunder shall be contingent on either (i) the Regulatory Agreement shall have been entered into and remained in full force and effect, and those Use Restrictions to be contained therein, shall have remained unmodified without its prior written consent, or (ii) if the Regulatory Agreement is no longer in effect due to reasons other than a default thereunder by the Company, such Use Restrictions, as so approved and unmodified, shall have remained in effect by other means and shall continue in effect by inclusion in the deed as required under Paragraph 10 hereof.

If any or all of such conditions precedent have not been met, the Option and the Refusal Right shall not be exercisable. Upon any of the events terminating the Manager as Manager of the Company or affecting the Regulatory Agreement as described in this Section 5, the Option and the Refusal Right shall be void and of no further force and effect.

6. **Exercise of Option or Refusal Right.** The Option and the Refusal Right may each be exercised by Grantee by (a) giving prior written notice of its intent to exercise the Option or the Refusal Right to the Company and each of its Members in compliance with the requirements of this Section 6, and (b) complying with the contract and closing requirements of Section 8 hereof. Any such notice of intent to exercise the Option shall be given during the last twelve (12) months of the Compliance Period. Any such notice of intent to exercise the Refusal Right shall be given within one hundred eighty (180) days after Grantee has received the Company's notice of a bona fide offer pursuant to Section 2 hereof. In any case, the notice of intent shall specify a closing date within one year following the date of such notice but in no event earlier than the termination of the Compliance Period and provided further, in the case of

the Option, that the closing date shall be no later than twelve (12) months following the end of the Compliance Period and in the case of the Refusal Right not to exceed six (6) months from the date of the notice of intent. If the foregoing requirements (including those of Section 9 hereof) are not met as and when provided herein, the Option or the Refusal Right, or both, as applicable, shall expire and be of no further force or effect. Upon notice by Grantee of its intent to exercise the Option or the Refusal Right, all rights under the other shall be subordinate to the rights then being so exercised unless and until such exercise is withdrawn or discontinued, and upon the closing of any sale of the Property pursuant to such notice, all rights shall expire and be of no further force or effect, provided that in the event that the Option and the Refusal Right are hereafter held by different parties by reason of any permitted assignment or otherwise, Grantee in its assignment(s) or such parties by written agreement may specify any other order of priority consistent with the other terms and conditions of this Purchase Agreement.

7. **Determination of Price.** Upon notice by Grantee of its intent to exercise the Option or the Refusal Right, the Company and Grantee shall exercise best efforts in good faith to agree on the purchase price for the Property.

8. **Contract and Closing.** Upon determination of the purchase price, the Company and Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with this Purchase Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Project is located, providing for a closing not later than the date specified in Grantee's notice of intent to exercise of the Option or the Refusal Right, as applicable, or thirty (30) days after the purchase price has been determined, whichever is later. In the absence of any such contract, this Purchase Agreement shall be specifically enforceable upon the exercise of the Option or the Refusal Right, as applicable. The purchase and sale hereunder shall be closed through a deed-and-money escrow with the title insurer for the Project or another mutually acceptable title company.

9. **Use Restrictions.** In consideration of the Option and the Refusal Right granted hereunder at the price specified herein, Grantee hereby agrees that the deed of the Project to Grantee shall contain a covenant running with the land, restricting use of the Project to low-income housing to the extent required by those Use Restrictions contained in the Regulatory Agreement.

If prior to exercise of the Option or the Refusal Right, as applicable, the Service has issued a revenue ruling or provided a private letter ruling to the Company holding that a covenant of the nature described hereinbelow may be utilized without limiting tax credits or deductions that would otherwise be available to the Members of the Company, then as a condition of the Option and the Refusal Right, the deed to Grantee shall include a Special Covenant specifically restricting continued use of the Project to low-income housing as determined in accordance with the same low-income and maximum rent requirements (excluding any right under the Code to raise rents after notice to the applicable state or local housing credit agency if it is unable to find a buyer at the statutory price) as are currently specified in the

Regulatory Agreement with reference to the low-income housing tax credits (notwithstanding any future discontinuation of such credits or modification of federal requirements therefor). The Special Covenant shall constitute part of the Use Restrictions. The Special Covenant shall state that it is applicable and enforceable only to the extent such housing produces income sufficient to pay all operating expenses and debt service and fund customary reserves and there is a need for low-income housing in the geographic area in which the Project is located. The Special Covenant shall run with the land for a period of fifteen (15) years after closing of the purchase under the Option or the Refusal Right, as applicable, or, if longer, for the period measured by the then remaining period of Use Restrictions under the Regulatory Agreement, provided that the Special Covenant shall terminate at the option of any holder of the reverter rights described hereinabove, upon enforcement thereof.

In the event that neither the Option nor the Refusal Right is exercised, or the sale pursuant thereto is not consummated, then upon conveyance of the Project to anyone other than Grantee or its permitted assignee hereunder, the foregoing provisions shall terminate and have no further force or effect.

10. **Assignment.** Grantee may assign all or any of its rights under this Purchase Agreement to (a) a qualified nonprofit organization, as defined in Section 42(h)(5)(C) of the Code, (b) a government agency, or (c) a tenant organization (in cooperative form or otherwise) or resident management corporation of the Project (each a "Permitted Assignee") that demonstrates its ability and willingness to maintain the Project as low-income housing in accordance with the Use Restrictions, subject in any event to the conditions precedent to the Refusal Right grant and the Option price set forth in Sections 2 and 3 hereof. Prior to any assignment or proposed assignment of its rights hereunder, Grantee shall give written notice thereof to the Company and each of its Members. Upon any permitted assignment hereunder, references in this Purchase Agreement to Grantee shall mean the permitted Assignee where the context so requires, subject to all applicable conditions to the effectiveness of the rights granted under this Purchase Agreement and so assigned. No assignment of Grantee's rights hereunder shall be effective unless and until the permitted Assignee enters into a written agreement accepting the assignment and assuming all of Grantee's obligations under this Purchase Agreement and copies of such written agreement are delivered to the Company and each of its Members. Except as specifically permitted herein, Grantee's rights hereunder shall not be assignable.

11. **Miscellaneous.** This Purchase Agreement shall be governed by the laws of the Commonwealth of Virginia. This Purchase Agreement may be executed in counterparts or counterpart signature pages, which together shall constitute a single agreement.

12. **Supersede Prior Purchase Agreement.** This Purchase Agreement replaces and supersedes in its entirety the 2017 Purchase Agreement.

In Witness Whereof, the parties have executed this document as of the date first set forth hereinabove.

**Company:**

SPRATLEY HOUSE LLC, a Virginia limited liability company

By: SPRATLEY HOUSE DEVELOPMENT CORPORATION, a Virginia corporation, its Manager

By: *Karen R. Wilds*  
Karen R. Wilds, President

COMMONWEALTH OF VIRGINIA )  
 ) ss  
CITY OF NEWPORT NEWS )

I, Teresa G. Bennett a Notary Public in and for said City in the Commonwealth aforesaid, do hereby certify that Karen R. Wilds, President of Spratley House Development Corporation, the manager of Spratley House LLC, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that she signed and delivered such instrument as her own free and voluntary act, and as the free and voluntary act of the company known as Spratley House LLC, on behalf of which said company she has executed the foregoing instrument, all for the uses and purposes set forth therein.

Given under my hand and notarial seal on March 12, 2019.

*Teresa G. Bennett*  
Notary Public

My Commission Expires: 10/31/2020

Registration Number: 7688853





Manager:

SPRATLEY HOUSE DEVELOPMENT CORPORATION, a Virginia corporation

By: Karen Wilds  
Karen R. Wilds, President

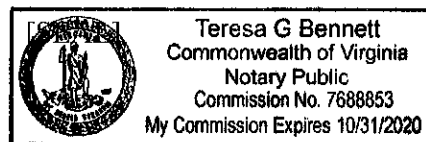
COMMONWEALTH OF VIRGINIA )  
 ) ss  
CITY OF NEWPORT NEWS )

I, Teresa G. Bennett, a Notary Public in and for said City in the State aforesaid, do hereby certify that Karen R. Wilds, President of Spratley House Development Corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that she signed and delivered such instrument as her own free and voluntary act, and as the free and voluntary act of the corporation known as Spratley House Development Corporation, on behalf of which said corporation she has executed the foregoing instrument, all for the uses and purposes set forth therein.

Given under my hand and notarial seal on March 12, 2019.

Teresa G. Bennett  
Notary Public

My Commission Expires: 10/31/2020  
Registration Number: 7688853





**EXHIBIT A**

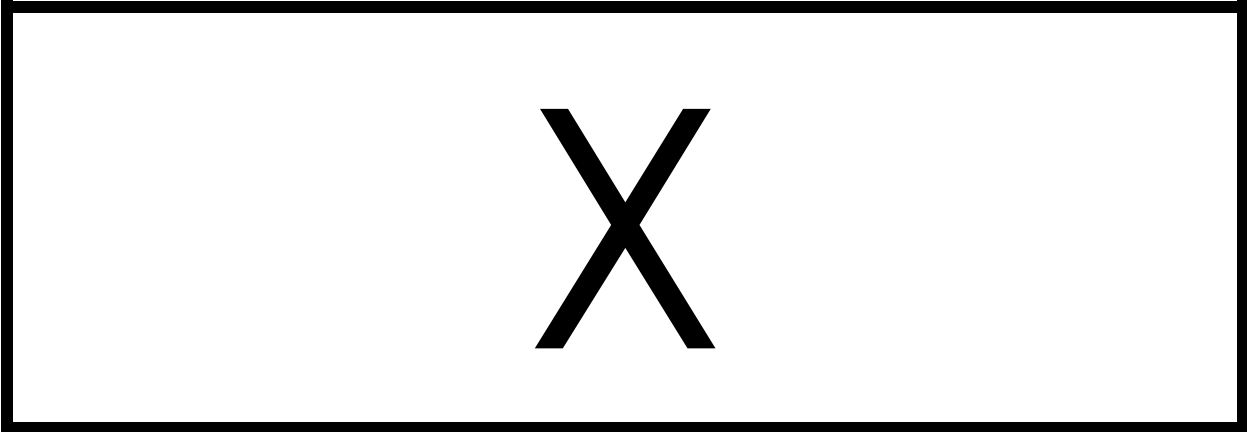
**LEGAL DESCRIPTION OF  
PROJECT REAL ESTATE**

SPRATLEY HOUSE, VA 36 #321  
Newport News, Virginia

Beginning at a point on the southwesterly corner of the intersection of Madison Avenue with 26<sup>th</sup> Street, it also being the southeasterly corner of former Lot 1, Block 85, Map of Part of the City of Newport News, Virginia: and from the point of beginning so described running S. 26° 23" E, a distance of 150.00 feet to a point; thence running along an arc with a 25.00 feet radius a distance of 39.27 feet to a point; thence running S. 63° 37' W, a distance of 400 feet to a point; thence running N. 26° 23' W, a distance of 200.00 feet to a point; thence running N. 63° 37' E, a distance of 400 feet to a point; thence running along an arc with a 25.00 foot radius a distance of 39.27 feet to the point of beginning: the property so described containing 1.9452 Acres

W

(Reserved)



X

# Marketing Plan

For units meeting accessibility requirements of HUD section

504

Spratley House Marketing Plan

Newport News, Virginia

2019 Low Income Housing Tax Credit Application

VHDA Accessibility Requirements for Section 504 Disability and Developmentally Disability (DD) Units

March 6, 2019

In conjunction with the Spratley House LLC's request for a set-aside of federal tax credits (LIHTC) in VHDA's 2019 round of awards, ten percent (total five) of the units in this complex will be retrofitted to serve persons with physical disabilities in accordance with HUD Section 504 Accessibility Standards and Fair Housing requirements. Further, the Spratley House LLC, through the Newport News Redevelopment and Housing Authority (NNRHA), management agent for the property, will add a first preference on the property's waiting list for persons with intellectual and/or development disabilities (ID/DD) for five (5) apartments in the complex.

VHDA guidelines for these 504 Disability and Developmentally Disability (DD) Units will be followed in the renovation and marketing of these apartments. Most notably:

- (1) Renovation of these apartments will conform to HUD regulations set forth in Section 504 of the Rehabilitation Act.
- (2) Marketing for residents with a documented disability, as defined by the Fair Housing Act, will be targeted to individuals and families with special needs. The renovated, fully accessible apartments, will incorporate zero step entrances, roll-in showers, roll under sinks and counters, ranges with front controls, side by side refrigerators, wide doors and hallways, and fully accessible bathrooms with roll-in showers.
- (3) Although every effort will be made to market and quickly occupy such units hereunder by individuals with special needs, as such units become available these apartments will be held vacant for 60 days during which time ongoing marketing efforts to the target market will ensue and will be documented by the management agent. Accessible apartments that become vacant after initial occupancy will be re-designated as set-aside units and remarketed as such.

- (4) Spratley House accessible units and preference will be listed on VHDA's Housing Search Virginia website.
- (5) During individual lease terms and throughout the compliance period, residents of accessible apartments will be regularly contacted by management staff to update needs of the occupant, and to determine if changes are necessary to insure the continued mobility of the resident within their apartment.
- (6) Documentation of unit marketing will coincide with pre-leasing activity for units for the general population and will be ongoing.
- (7) Contacts with the organizations below will be made in advance of the completion of renovations to insure that apartments are occupied as quickly as possible. To further enhance the occupancy of available apartments, in accordance with the housing occupancy plan for the complex, eligible/handicapped families and individuals on the waiting list for this property will also be contacted during the lease-up period and following initial occupancy.

- In-Sight Enterprises Inc./ Peninsula Center for Independent Living  
2021 B Cunningham Drive, Hampton VA. 23666

- Hampton/Newport News Community Services Board  
400 Medical Drive, Hampton VA. 23666

- Veterans Affairs Medical Center  
100 Emancipation Drive  
Building 148T, Hampton VA. 23667

- Newport News Department of Human Services  
Rouse Tower  
6060 Jefferson Avenue, Newport News VA. 23605