
2021 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 **12:00 PM**
Richmond, VA Time On **March 18, 2021**

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
601 South Belvidere Street
Richmond, Virginia 23220-6500

INSTRUCTIONS FOR THE VIRGINIA 2021 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 **12:00 PM** Richmond Virginia time on **March 18, 2021**. 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:

Virginia Housing only accepts files via our work center sites on Procorem. Contact TaxCreditApps@virginiahousing.com for access to Procorem or for the creation of a new deal workcenter. Do not submit any application materials to any email address unless specifically requested by the Virginia Housing LIHTC Allocation Department staff.

Disclaimer:

Virginia Housing 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 Virginia Housing.

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 Virginia Housing LIHTC Allocation Department. Please note that we cannot release the copy protection password.

Virginia Housing LIHTC Allocation Staff Contact Information

Name	Email	Phone Number
JD Bondurant	johndavid.bondurant@virginiahousing.com	(804) 343-5725
Sheila Stone	sheila.stone@virginiahousing.com	(804) 343-5582
Stephanie Flanders	stephanie.flanders@virginiahousing.com	(804) 343-5939
Phil Cunningham	philip.cunningham@virginiahousing.com	(804) 343-5514
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Aniyah Moaney	aniyah.moaney@virginiahousing.com	(804) 343-5518

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2021 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 Virginia Housing's point system of ranking applications, and may assist Virginia Housing in its determination of the appropriate amount of credits that may be reserved for the development.

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

VHDA TRACKING NUMBER

2022-ASH-04

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/18/2021

1. Development Name: Cool Lane Apartments
2. Address (line 1): 1900 Cool Lane
Address (line 2):
City: Richmond State: VA Zip: 23223
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 Henrico County
5. The site overlaps one or more jurisdictional boundaries..... TRUE
If true, what other City/County is the site located in besides response to #4?..... Richmond City
6. Development is located in the census tract of: 2010.03
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 TRUE
10. Development is located in a Revitalization Area designated by resolution FALSE
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%
FALSE	FALSE	FALSE

Enter only Numeric Values below:

13. Congressional District: 4
- Planning District: 15
- State Senate District: 9
- State House District: 70

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

[Link to Virginia Housing'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

Cool Lane Apartments is the adaptive re-use of a former assisted-living facility in Henrico County. The building will contain 80 one-bedroom apartments and 6 studios, plus a night monitor unit, with supportive services for homeless and low-income adults from Henrico County and the Richmond region. Thirteen units will be fully accessible for individuals with disabilities and two units will be for individuals with sensory impairment. The building will have staff offices, a front desk, community room, computer room, phone room, fitness room, and laundry facilities. The development will meet EarthCraft Gold certification. The building will also have commercial space for VSH administrative offices and community resource space.

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/18/2021

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:

Chief Executive Officer's Name: John Vithoukas
 Chief Executive Officer's Title: County Manager Phone: (804) 501-4206
 Street Address: P.O. Box 90775
 City: Henrico State: VA Zip: 23273

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Eric Leabough, Director of Community Revitalization

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

Chief Executive Officer's Name: Lincoln Saunders
 Chief Executive Officer's Title: Interim Chief Administrative Officer Phone: (804) 646-7970
 Street Address: 900 E Broad Street, Suite 201
 City: Richmond State: VA Zip: 23219

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Sharon Ebert, Deputy Chief Administrative Officer

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:

Accessible Supportive Housing Pool

or

b. If requesting Tax Exempt Bonds, select development type:

[Redacted]

For Tax Exempt Bonds, where are bonds being issued?

[Redacted]

ACTION: Provide Inducement Resolution at **TAB Y** (if available)

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, 2021.

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, 2021, 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 2021 credits pursuant to Section 42(h)(1)(E).

3. **Select Building Allocation type:**

Adaptive Reuse

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?

TRUE

If True, additional Credit Request cannot exceed 10% of the prior credit award.

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)

Name of companion development:

[Redacted]

a. Has the developer met with Virginia Housing 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: Virginia Housing 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 Virginia Housing 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: Cool Lane Apartments, LLC

Developer Name: Virginia Supportive Housing

Contact: M/M ▶ Mrs. First: Allison MI: M Last: Bogdanovic

Address: P.O. Box 8585

City: Richmond St. ▶ VA Zip: 23226

Phone: (804) 836-1052 Ext. Fax: (804) 788-6827

Email address: abogdanovic@virginiassupportivehousing.org

Federal I.D. No. 83-3720958 (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.
Julie Anderson, janderson@virginiassupportivehousing.org, (804)836-1062

- ACTION:**
- a. Provide Owner's organizational documents (e.g. Partnership agreements and Developer Fee agreement) (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.

<u>Names **</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
<u>Cool Lane Apartments Development Corporation, In</u>	<u>(804) 788-6825</u>	<u>Managing Member</u>	<u>0.010%</u>
<u>Virginia Supportive Housing</u>	<u>(804) 788-6825</u>	<u>Sole Shareholder of</u>	
<u>Allison Bogdanovic</u>	<u>(804) 836-1052</u>	<u>Executive Director</u>	
<u>Virginia Supportive Housing</u>	<u>(804) 788-6825</u>	<u>Investor Member</u>	<u>99.990%</u>
<u>Allison Bogdanovic</u>	<u>(804) 836-1052</u>	<u>Executive Director</u>	
			<u>0.000%</u>
			<u>0.000%</u>

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.

C. OWNERSHIP INFORMATION

- 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)**

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 Virginia Housing 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 Virginia Housing 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 Virginia Housing 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):

Select Type:

Expiration Date:

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 Virginia Housing. See QAP for further details.

ACTION: Provide documentation and most recent real estate tax assessment - **Mandatory TAB E**

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..... 7/30/2021 .

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**.)

D. SITE CONTROL

3. Seller Information:

Name: City of Richmond

Address: 900 E Broad Street

City: Richmond St.: VA Zip: 23219

Contact Person: Sharon Ebert Phone: (804) 646-7646

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

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>
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%

E. DEVELOPMENT TEAM INFORMATION

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

1. Tax Attorney: Lauren Nowlin This is a Related Entity. FALSE
 Firm Name: Williams Mullen
 Address: 200 South 10th Street, Suite 1600, Richmond, VA 23219
 Email: Inowlin@williamsmullen.com Phone: (804) 420-6585

2. Tax Accountant: Michael Vicars, C.P.A. This is a Related Entity. FALSE
 Firm Name: Doolery & Vicars Certified Public Accountants, L.L.P.
 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: Sheila Parker, Director of Property Managem This is a Related Entity. TRUE
 Firm Name: Virginia Supportive Housing
 Address: 8002 Discovery Drive, Suite 201, Richmond, VA 23229
 Email: sparker@virginiasupportivehousing.org Phone: (804) 836-1064

5. Contractor: To Be Determined This is a Related Entity. FALSE
 Firm Name:
 Address:
 Email: To Be Determined Phone:

6. Architect: Colin Arnold This is a Related Entity. FALSE
 Firm Name: Arnold Design Studio
 Address: 930 Cambria Street, NE, Christiansburg, VA 24073
 Email: carnold@arnolddesignstudio.com Phone: (540) 239-2671

7. Real Estate Attorney: Lauren Nowlin This is a Related Entity. FALSE
 Firm Name: Williams Mullen
 Address: 200 South 10th Street, Suite 1600, Richmond, VA 23219
 Email: Inowlin@williasmullen.com Phone: (804) 420-6585

8. Mortgage Banker: This is a Related Entity. FALSE
 Firm Name:
 Address:
 Email: Phone:

9. Other: Jennifer Tiller, Director of Client Programs This is a Related Entity. TRUE
 Firm Name: Virginia Supportive Housing Role: Support Services Provider
 Address: 8002 Discovery Drive, Suite 201, Richmond, VA 23229
 Email: jtiller@virginiasupportivehousing.org Phone: (804) 836-1058

F. REHAB INFORMATION

1. Acquisition Credit Information

- a. Credits are being requested for existing buildings being acquired for development..... **FALSE**
- 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 Virginia Housing 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 Virginia Housing 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)

F. REHAB INFORMATION

3. Rehabilitation Credit Information

a. Credits are being requested for rehabilitation expenditures..... FALSE

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)..... FALSE
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:

- TRUE a. Be authorized to do business in Virginia.
TRUE b. Be substantially based or active in the community of the development.
TRUE c. Materially participate in the development and operation of the development throughout the compliance period (i.e., regular, continuous and substantial involvement) in the operation of the development throughout the Compliance Period.
TRUE d. Own, either directly or through a partnership or limited liability company, 100% of the general partnership or managing member interest.
TRUE e. Not be affiliated with or controlled by a for-profit organization.
TRUE f. Not have been formed for the principal purpose of competition in the Non Profit Pool.
TRUE 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..... TRUE (If false, go on to #3.)

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..... TRUE

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: Applicant

Name: Virginia Supportive Housing (Please fit NP name within available space)

Contact Person: Allison Bogdanovic

Street Address: 8002 Discovery Drive, Suite 201

City: Richmond State: VA Zip: 23229-8601

Phone: (804) 836-1052 Extension: Contact Email: abogdanovic@virginiasup

G. NONPROFIT INVOLVEMENT

D. Percentage of Nonprofit Ownership (All nonprofit applicants): Specify the nonprofit entity's percentage ownership of the general partnership interest: 100.0%

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: Virginia Supportive Housing

or indicate true if Local Housing Authority Name of Local Housing Authority FALSE

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)

NOTE: Applicant waives the right to pursue a Qualified Contract.

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of all units in development	87	bedrooms	87
Total number of rental units in development	86	bedrooms	86
Number of low-income rental units	86	bedrooms	86
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	0	bedrooms	0
Number of adaptive reuse units:	86	bedrooms	86
Number of rehab units:.....	0	bedrooms	0
c. If any, indicate number of planned exempt units (included in total of all units in development).....			1
d. Total Floor Area For The Entire Development.....			92,825.26 (Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....			550.29 (Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding).....			5,966.24
g. Total Usable Residential Heated Area.....			86,308.73 (Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space			100.00%
i. Exact area of site in acres	5.720		
j. Locality has approved a final site plan or plan of development.....			FALSE
If True , Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development.			
ACTION: Provide required zoning documentation (MANDATORY TAB G)			
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.

H. STRUCTURE AND UNITS INFORMATION

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	1003.59	SF	86	86
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
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
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
			86	86

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:..... 44 years
- c. Number of stories:..... 3
- d. The development is a scattered site development..... FALSE
- e. Commercial Area Intended Use: VSH Administrative Offices
- f. Development 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)..... TRUE
 - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... FALSE
 - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... FALSE

H. STRUCTURE AND UNITS INFORMATION

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>FALSE</u>	vii. Basement	<u>TRUE</u>
iv. Crawl space	<u>TRUE</u>		

h. Development contains an elevator(s). TRUE
 If true, # of Elevators. 3
 Elevator Type (if known) Hydraulic

i. Roof Type ▶ Flat
 j. Construction Type ▶ Masonry
 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>TRUE</u>	h. Pool.....	<u>FALSE</u>
d. Gated access to Site.....	<u>FALSE</u>	i. Rental Office.....	<u>TRUE</u>
e. Laundry facilities.....	<u>TRUE</u>	j. Sports Activity Ct..	<u>FALSE</u>
		k. Other:	<u></u>

l. Describe Community Facilities: Community room, patio, computer room, phone room, supportive service:

m. Number of Proposed Parking Spaces..... 100
 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**).

H. STRUCTURE AND UNITS INFORMATION

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 Virginia Housing'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	1.50%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	1.50%
Project Wide Absorption Period (Months)	4

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 RESNET rater certification (**TAB F**)

ACTION: Provide Internet Safety Plan and Resident Information Form (Tab W) if options selected below.

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

- | | |
|--------|--|
| TRUE | a. A community/meeting room with a minimum of 749 square feet is provided. |
| 74.00% | 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). |
| FALSE | d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products. |
| 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. |
| TRUE | k. Cooking surfaces are equipped with fire prevention features |
| or | |
| FALSE | 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 | |
| TRUE | 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. Every kitchen, living room and bedroom contains, at minimum, one USB charging port. |
| 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. |

J. ENHANCEMENTS

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

- FALSE a. All cooking ranges have front controls.
- FALSE b. Bathrooms have an independent or supplemental heat source.
- FALSE 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"/> TRUE | 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"/> TRUE | 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 Virginia Housing's Universal Design Standards.
- 86 b. Number of Rental Units constructed to meet Virginia Housing'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:



Architect of Record initial here that the above information is accurate per certification statement within this application.

I. UTILITIES

1. Utilities Types:

- a. Heating Type Heat Pump
- b. Cooking Type Electric
- c. AC Type Central Air
- d. Hot Water Type Electric

2. Indicate True if the following services will be included in Rent:

- | | | | |
|-----------------|-------------|----------------------|-------------|
| Water?..... | <u>TRUE</u> | Heat?..... | <u>TRUE</u> |
| Hot Water?..... | <u>TRUE</u> | AC?..... | <u>TRUE</u> |
| Lighting?..... | <u>TRUE</u> | Sewer?..... | <u>TRUE</u> |
| Cooking? | <u>TRUE</u> | Trash Removal? | <u>TRUE</u> |

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	0	0	0	0
Air Conditioning	0	0	0	0	0
Cooking	0	0	0	0	0
Lighting	0	0	0	0	0
Hot Water	0	0	0	0	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	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. FALSE Local PHA
- e. FALSE Other: _____

Warning: The Virginia Housing housing choice voucher program utility schedule shown on VirginiaHousing.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 requirements of section 504 of the Rehabilitation Act.

 **Architect of Record initial here that the above information is accurate per certification statement within this application.**

K. SPECIAL HOUSING NEEDS

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

TRUE

Supportive Housing (as described in the Tax Credit Manual)

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

b. The development has existing tenants and a relocation plan has been developed.....

FALSE

(If **True**, Virginia Housing 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 and Unit Delivery Schedule (**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: No

Organization which holds 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 **Virginia Housing Certified Management Agent**. Proof of management certification must be provided before 8609s are issued.

K. SPECIAL HOUSING NEEDS

c. The Project Based vouchers above are applicable to the 30% units seeking points.

FALSE

i. If True above, how many of the 30% units will not have project based vouchers?

0

d. Number of units receiving assistance:

86

How many years in rental assistance contract?

15.00

Expiration date of contract:

8/5/2037

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.

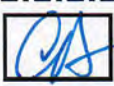
a. Units Provided Per Household Type: Warning: Greater than 50% of units does not increase bonus points.

Income Levels				Avg Inc.	Rent Levels				Avg Inc.
# of Units	% of Units				# of Units	% of Units			
0	0.00%	20% Area Median	0%	0	0.00%	20% Area Median	0%	0	0.00%
0	0.00%	30% Area Median	0%	0	0.00%	30% Area Median	0%	0	0.00%
13	15.12%	40% Area Median	520%	13	15.12%	40% Area Median	520%	13	15.12%
73	84.88%	50% Area Median	3650%	73	84.88%	50% Area Median	3650%	73	84.88%
0	0.00%	60% Area Median	0%	0	0.00%	60% Area Median	0%	0	0.00%
0	0.00%	70% Area Median	0%	0	0.00%	70% Area Median	0%	0	0.00%
0	0.00%	80% Area Median	0%	0	0.00%	80% Area Median	0%	0	0.00%
0	0.00%	Market Units		0	0.00%	Market Units		0	0.00%
86	100.00%	Total	48.49%	86	100.00%	Total	48.49%	86	100.00%

- b. The development plans to utilize average income..... TRUE
 If 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.

 Architect of Record initial here that the information below is accurate per certification statement within this application.

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	Efficiency	50% AMI	3	1	502.77	\$993.00	\$2,979
Mix 2	Efficiency	40% AMI	3	1	502.77	\$993.00	\$2,979
Mix 3	1 BR - 1 Bath	50% AMI	47	10	506.86	\$1,020.00	\$47,940
Mix 4	1 BR - 1 Bath	50% AMI	19	0	502.45	\$1,020.00	\$19,380
Mix 5	1 BR - 1 Bath	50% AMI	3	0	557.38	\$1,020.00	\$3,060
Mix 6	1 BR - 1 Bath	50% AMI	1	0	646.47	\$1,020.00	\$1,020
Mix 7	1 BR - 1 Bath	40% AMI	2	0	537.72	\$1,020.00	\$2,040
Mix 8	1 BR - 1 Bath	40% AMI	2	0	607.72	\$1,020.00	\$2,040
Mix 9	1 BR - 1 Bath	40% AMI	2	1	788.77	\$1,020.00	\$2,040
Mix 10	1 BR - 1 Bath	40% AMI	2	0	646.39	\$1,020.00	\$2,040
Mix 11	1 BR - 1 Bath	40% AMI	2	0	520.10	\$1,020.00	\$2,040
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0
Mix 16							\$0

L. UNIT DETAILS

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
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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

L. UNIT DETAILS

Mix 74								\$0
Mix 75								\$0
Mix 76								\$0
Mix 77								\$0
Mix 78								\$0
Mix 79								\$0
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
TOTALS			86	13				\$87,558

Total Units	86	Net Rentable SF:	TC Units	44,905.60
			MKT Units	0.00
			Total NR SF:	44,905.60

Floor Space Fraction (to 7 decimals)	100.00000%
---	-------------------

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$2,500
2. Office Salaries			\$84,000
3. Office Supplies			\$2,160
4. Office/Model Apartment	(type		\$6,180
5. Management Fee			\$89,200
	8.82% of EGI	\$1,037.21	Per Unit
6. Manager Salaries			\$69,800
7. Staff Unit (s)	(type		\$0
8. Legal			\$800
9. Auditing			\$175
10. Bookkeeping/Accounting Fees			\$3,634
11. Telephone & Answering Service			\$11,500
12. Tax Credit Monitoring Fee			\$3,675
13. Miscellaneous Administrative			\$40,531
Total Administrative			\$314,155

Utilities

14. Fuel Oil			\$0
15. Electricity			\$60,000
16. Water			\$14,000
17. Gas			\$0
18. Sewer			\$7,600
Total Utility			\$81,600

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$2,400
21. Janitor/Cleaning Contract			\$3,000
22. Exterminating			\$8,850
23. Trash Removal			\$6,500
24. Security Payroll/Contract			\$6,500
25. Grounds Payroll			\$0
26. Grounds Supplies			\$2,500
27. Grounds Contract			\$12,000
28. Maintenance/Repairs Payroll			\$91,200
29. Repairs/Material			\$4,500
30. Repairs Contract			\$5,000
31. Elevator Maintenance/Contract			\$7,500
32. Heating/Cooling Repairs & Maintenance			\$12,000
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$1,500
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$550
37. Miscellaneous			\$6,375
Totals Operating & Maintenance			\$170,375

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes	\$17,276
39. Payroll Taxes	\$24,000
40. Miscellaneous Taxes/Licenses/Permits	\$1,820
41. Property & Liability Insurance	\$65,000
42. Fidelity Bond	\$0
43. Workman's Compensation	\$2,400
44. Health Insurance & Employee Benefits	\$32,000
45. Other Insurance	\$0
Total Taxes & Insurance	\$142,496

Total Operating Expense **\$708,626**

Total Operating Expenses Per Unit **\$8,240** **C. Total Operating Expenses as % of EGI** **70.06%**

Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum) **\$25,800**

Total Expenses	\$734,426
-----------------------	------------------

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

N. PROJECT SCHEDULE

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
1. SITE		
a. Option/Contract	3/13/2019	Julie Anderson
b. Site Acquisition	7/30/2021	Julie Anderson
c. Zoning Approval	3/12/2019	Julie Anderson
d. Site Plan Approval	4/30/2021	Elizabeth Nice
2. Financing		
a. Construction Loan		
i. Loan Application	2/10/2020	Elizabeth Nice
ii. Conditional Commitment	2/21/2020	Elizabeth Nice
iii. Firm Commitment	3/11/2020	Elizabeth Nice
b. Permanent Loan - First Lien		
i. Loan Application	3/9/2021	Elizabeth Nice
ii. Conditional Commitment	4/9/2021	Elizabeth Nice
iii. Firm Commitment	6/11/2021	Elizabeth Nice
c. Permanent Loan-Second Lien		
i. Loan Application	10/31/2019	Elizabeth Nice
ii. Conditional Commitment	1/27/2020	Elizabeth Nice
iii. Firm Commitment	2/18/2021	Elizabeth Nice
d. Other Loans & Grants		
i. Type & Source, List	Foundations, Locality Funding	Elizabeth Nice
ii. Application	2/27/2019	Elizabeth Nice
iii. Award/Commitment	6/30/2021	Elizabeth Nice
2. Formation of Owner	2/26/2019	Elizabeth Nice
3. IRS Approval of Nonprofit Status	7/1/1988	Julie Anderson
4. Closing and Transfer of Property to Owner	6/30/2021	Julie Anderson
5. Plans and Specifications, Working Drawings	7/5/2021	Elizabeth Nice
6. Building Permit Issued by Local Government	6/30/2021	Elizabeth Nice
7. Start Construction	7/5/2021	Elizabeth Nice
8. Begin Lease-up	8/8/2022	Sheila Parker
9. Complete Construction	8/5/2022	Elizabeth Nice
10. Complete Lease-Up	2/1/2023	Sheila Parker
11. Credit Placed in Service Date	2/1/2023	Elizabeth Nice

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"
1. Contractor Cost				
a. Unit Structures (New)	8,030,000	0	0	8,030,000
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	625,000	0	0	0
e. Structured Parking Garage	0	0	0	0
Total Structure	8,655,000	0	0	8,030,000
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
h. Roads & Walks	0	0	0	0
i. Site Improvements	0	0	0	0
j. Lawns & Planting	0	0	0	0
k. Engineering	0	0	0	0
l. Off-Site Improvements	0	0	0	0
m. Site Environmental Mitigation	125,000	0	0	117,500
n. Demolition	425,000	0	0	399,500
o. Site Work	750,000	0	0	350,000
p. Other Site work	0	0	0	0
Total Land Improvements	1,300,000	0	0	867,000
Total Structure and Land	9,955,000	0	0	8,897,000
q. General Requirements	398,200	0	0	374,308
r. Builder's Overhead (4.0% Contract)	398,200	0	0	374,308
s. Builder's Profit (6.0% Contract)	597,300	0	0	561,462
t. Bonds	125,000	0	0	117,500
u. Building Permits	80,000	0	0	75,200
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: Wood Destroying Report	2,500	0	0	2,350
y. Other 2:	0	0	0	0
z. Other 3:	0	0	0	0
Contractor Costs	\$11,556,200	\$0	\$0	\$10,402,128

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"
2. Owner Costs				
a. Building Permit	0	0	0	0
b. Architecture/Engineering Design Fee \$5,233 /Unit)	450,000	0	0	423,000
c. Architecture Supervision Fee \$1,744 /Unit)	150,000	0	0	141,000
d. Tap Fees	0	0	0	0
e. Environmental	25,000	0	0	23,500
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	25,800	0	0	24,252
h. Appraisal	10,000	0	0	9,400
i. Market Study	5,000	0	0	5,000
j. Site Engineering / Survey	15,000	0	0	5,000
k. Construction/Development Mgt	85,000	0	0	0
l. Structural/Mechanical Study	15,000	0	0	14,100
m. Construction Loan Origination Fee	150,000	0	0	141,000
n. Construction Interest (4.5% for 18 months)	650,000	0	0	325,000
o. Taxes During Construction	24,000	0	0	22,560
p. Insurance During Construction	78,750	0	0	74,025
q. Permanent Loan Fee (0.0%)	36,091	0	0	0
r. Other Permanent Loan Fees	50,000	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	12,000	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	100,000	0	0	15,000
w. Legal Fees for Closing	40,000	0	0	40,000
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	74,150			
z. Tenant Relocation	0	0	0	0
aa. Fixtures, Furnitures and Equipment	350,000	0	0	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	500,000	0	0	0
ad. Contingency	1,147,370	0	0	1,000,000
ae. Security	0	0	0	0
af. Utilities	35,000	0	0	32,900

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify: Solar	200,000	0	0	188,000
(2) Other* specify: Soft Cost Contingency	65,336	0	0	0
(3) Other* specify: Construction Inspections	55,000	0	0	51,700
(4) Other* specify: Lease Up Reserve	50,000	0	0	0
(5) Other * specify: Replacement Reserve	25,800	0	0	0
(6) Other* specify: Marketing and Pre-Leasing	50,000	0	0	0
(7) Other* specify: Legal	200,000	0	0	0
(8) Other* specify: Predevelopment Loan Inter	65,000	0	0	0
(9) Other* specify: Compliance Monitoring	45,000	0	0	0
(10) Other* specify: Misc. Printing and Design	5,000	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$4,789,297	\$0	\$0	\$2,535,437
Subtotal 1 + 2 (Owner + Contractor Costs)	\$16,345,497	\$0	\$0	\$12,937,565
3. Developer's Fees Action: Provide Developer Fee Agreement (Tab A)	1,737,640	0	0	1,737,640
4. Owner's Acquisition Costs				
Land	0			
Existing Improvements	0	0		
Subtotal 4:	\$0	\$0		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$18,083,137	\$0	\$0	\$14,675,205

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:

\$1,737,640

Proposed Development's Cost per Sq Foot

\$195 **Meets Limits**

Applicable Cost Limit by Square Foot:

\$390

P. ELIGIBLE BASIS CALCULATION

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	18,083,137	0	0	14,675,205

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	14,675,205
---	---	------------

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	4,402,562
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	19,077,767

5. Applicable Fraction

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

6. Total Qualified Basis (Eligible Basis x Applicable Fraction)

0	0	19,077,767
---	---	------------

7. Applicable Percentage

(Beginning in 2021, All Tax Exempt requests should use the standard 4% rate and all 9% requests should use the standard 9% rate.)

9.00%	9.00%	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	\$1,716,999
-----	-----	-------------

\$1,716,999 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.	Atlantic Union Bank	02/10/20	03/11/20	\$10,000,000	Rene Shepperson
2.					
3.					
Total Construction Funding:				\$10,000,000	

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.	VH REACH Loan	3/9/2021	6/11/2021	\$2,984,128	\$131,465	1.95%	30.00	30.00
2.	DHCD NHTF	10/31/2019	2/18/2021	\$650,000	\$9,750	1.50%	30.00	30.00
3.	DHCD HOME	10/31/2019	2/18/2021	\$650,000	\$9,750	1.50%	20.00	20.00
4.	DHCD VHTF	10/31/2019	2/18/2021	\$700,000	\$10,500	1.50%	20.00	20.00
5.	VH MUMI Loan	3/9/2021	6/11/2021	\$625,000	\$31,418	2.95%	30.00	30.00
6.	Richmond AHTF	12/19/2019	5/28/2020	\$600,000		0.00%	0.00	0.00
7.	Henrico CDBG/General Fu	2/27/2019	3/3/2021	\$500,000		0.00%	0.00	0.00
8.	FHLB of Atlanta	6/1/2020	10/29/2020	\$500,000		0.00%	0.00	0.00
9.	DHCD VHTF	12/4/2020	3/12/2021	\$300,000	\$4,500	1.50%	20.00	20.00
10.	Foundations/HTF	4/22/2019	6/30/2021	\$1,115,000		0.00%	0.00	0.00
Total Permanent Funding:				\$8,624,128	\$197,383			

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	

Q. SOURCES OF FUNDS

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.	Donated Land/Building	2/25/2019	\$2,052,772
2.	Henrico CDBG/General Funds	3/3/2021	\$500,000
3.	FHLB of Atlanta	10/29/2020	\$500,000
4.	City of Richmond AHTF	5/28/2020	\$600,000
5.	DHCD HOME, NHTF, VHTF	2/18/2021	\$2,500,000
Total Subsidized Funding			\$6,152,772

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	\$2,984,128
g.	HOME Funds	\$650,000
h.	Other: Local CDBG/General/HTF	\$1,100,000
i.	Other: State HTF/NHTF	\$1,750,000

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.

Q. SOURCES OF FUNDS

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:

[Empty yellow text box for listing financing and credit enhancements]

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 or 10% of the units in the development.

c. **TRUE** Other **Donated Land**

9. A HUD approval for transfer of physical asset is required..... **FALSE**

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	\$10	
ii. Contributed Land/Building	\$0	
iii. Deferred Developer Fee	\$0	(Note: Deferred Developer Fee cannot be negative.)
iv. Other: <u>Solar Equity</u>	\$53,995	

ACTION: If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at **TAB A.**

Equity Total \$54,005

2. Equity Gap Calculation

a. Total Development Cost	\$18,083,137
b. Total of Permanent Funding, Grants and Equity	- \$8,678,133
c. Equity Gap	\$9,405,004
d. Developer Equity	- \$944
e. Equity gap to be funded with low-income tax credit proceeds	\$9,404,060

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	Virginia Community Development Corporation (VCDC)		
Contact Person:	Steven Bleile	Phone:	(804) 842-6231
Street Address:	1840 W Broad Street, Suite 200		
City:	Richmond	State:	Zip: 23220

b. Syndication Equity

i. Anticipated Annual Credits	\$1,045,000.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.900
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	\$1,044,896
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$9,404,060

c. Syndication:	<u>Private</u>
d. Investors:	<u>Corporate</u>

4. Net Syndication Amount

Which will be used to pay for Total Development Costs \$9,404,060

5. Net Equity Factor

Must be equal to or greater than 85% 90.0000047852%

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 Virginia Housing to determine, as required by the IRC, the amount of credits which may be allocated for the development. However, Virginia Housing at all times retains the right to substitute such information and assumptions as are determined by Virginia Housing 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 Virginia Housing for a reservation of credits, the amount of such reservation may differ significantly from the amount you compute below.

1. Total Development Costs		<u>\$18,083,137</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$8,678,133</u>
3. Equals Equity Gap		<u>\$9,405,004</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>90.0000047852%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$10,450,004</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$1,045,000</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$1,716,999</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$1,045,000</u>
Credit per LI Units	<u>\$12,151.1628</u>	Combined 30% & 70% PV Credit Requested
Credit per LI Bedroom	<u>\$12,151.1628</u>	

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	\$87,558
Plus Other Income Source (list): <u>Commercial rent, laundry</u>	\$3,075
Equals Total Monthly Income:	\$90,633
Twelve Months	x12
Equals Annual Gross Potential Income	\$1,087,596
Less Vacancy Allowance <u>7.0%</u>	\$76,132
Equals Annual Effective Gross Income (EGI) - Low Income Units	\$1,011,464

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

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	\$1,011,464
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$1,011,464
d. Total Expenses	\$734,426
e. Net Operating Income	\$277,038
f. Total Annual Debt Service	\$197,383
g. Cash Flow Available for Distribution	\$79,655

T. CASH FLOW

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	1,011,464	1,031,694	1,052,327	1,073,374	1,094,841
Less Oper. Expenses	734,426	756,459	779,153	802,527	826,603
Net Income	277,038	275,235	273,175	270,847	268,239
Less Debt Service	197,383	197,383	197,383	197,383	197,383
Cash Flow	79,655	77,852	75,792	73,464	70,856
Debt Coverage Ratio	1.40	1.39	1.38	1.37	1.36

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	1,116,738	1,139,073	1,161,855	1,185,092	1,208,793
Less Oper. Expenses	851,401	876,943	903,251	930,349	958,259
Net Income	265,337	262,130	258,603	254,743	250,534
Less Debt Service	197,383	197,383	197,383	197,383	197,383
Cash Flow	67,954	64,747	61,220	57,360	53,151
Debt Coverage Ratio	1.34	1.33	1.31	1.29	1.27

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	1,232,969	1,257,629	1,282,781	1,308,437	1,334,606
Less Oper. Expenses	987,007	1,016,617	1,047,116	1,078,529	1,110,885
Net Income	245,962	241,011	235,665	229,908	223,720
Less Debt Service	197,383	197,383	197,383	197,383	197,383
Cash Flow	48,579	43,628	38,282	32,525	26,337
Debt Coverage Ratio	1.25	1.22	1.19	1.16	1.13

Estimated Annual Percentage Increase in Revenue 2.00% (Must be \leq 2%)
 Estimated Annual Percentage Increase in Expenses 3.00% (Must be \geq 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

DO NOT use the CUT feature

Bldg #	BIN if known	NUMBER OF		Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS						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.	VA2053001	86		1900 Cool Lane		Richmond	VA	23223				\$0				\$0	\$19,077,767	02/01/23	9.00%	\$1,716,999
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

86 0

Totals from all buildings

\$0

\$0

\$0

\$0

\$19,077,767

\$1,716,999

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 Virginia Housing and its assigns against all losses, costs, damages, Virginia Housing's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to Virginia Housing'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 Virginia Housing 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 Virginia Housing 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 Virginia Housing 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, Virginia Housing 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 Virginia Housing 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 Virginia Housing at its sole discretion.

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 Virginia Housing 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 Virginia Housing's inability to process the application. The original or copy of this application may be retained by Virginia Housing, 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: Cool Lane Apartments, LLC
By: Cool Lane Apartments Development Corporation, Inc., Its Managing Member

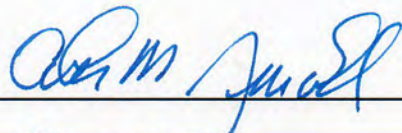
By: Allison Bogdanovic
Its: Executive Director
(Title)

V. STATEMENT OF ARCHITECT

The architect signing this document is certifying that the development plans and specifications incorporate all Virginia Housing Minimum Design and Construction Requirements (MDCR), selected LIHTC enhancements and amenities, applicable building codes and accessibility requirements.

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 Architect:	Colin Arnold
Virginia License#:	11337
Architecture Firm or Company:	Arnold Design Studio

By:  _____

Its: PRINCIPAL _____ (Title)

Initials by Architect are also required on the following Tabs: Enhancement, Special Housing Needs and Unit Details.

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 Virginia Housing'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. Virginia Housing reserves the right to change application data and/or score sheet responses where appropriate, which may change the final score.

MANDATORY ITEMS:

	Included		Score
a. Signed, completed application with attached tabs in PDF format	Y	Y or N	0
b. Active Excel copy of application	Y	Y or N	0
c. Partnership agreement	Y	Y or N	0
d. SCC Certification	Y	Y or N	0
e. Previous participation form	Y	Y or N	0
f. Site control document	Y	Y or N	0
g. RESNET Certification	Y	Y or N	0
h. Attorney's opinion	Y	Y or N	0
i. Nonprofit questionnaire (if applicable)	Y	Y, N, N/A	0
j. Appraisal	Y	Y or N	0
k. Zoning document	Y	Y or N	0
l. Universal Design Plans	Y	Y or N	0
m. List of LIHTC Developments (Schedule A)	Y	Y or N	0
Total:			0.00

1. READINESS:

a. Virginia Housing notification letter to CEO (via Locality Notification Information App)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	N	0 or 40	0.00
d. Location in a revitalization area based on Qualified Census Tract	Y	0 or 10	10.00
e. Location in a revitalization area with resolution	N	0 or 15	0.00
f. Location in a Opportunity Zone	N	0 or 15	0.00
Total:			10.00

2. HOUSING NEEDS CHARACTERISTICS:

a. Sec 8 or PHA waiting list preference	N	0 or up to 5	0.00
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	34.02%	Up to 40	40.00
d. Tax abatement on increase of property's value	Y	0 or 5	5.00
e. New project based rental subsidy (HUD or RD)	Y	0 or 10	10.00
f. Census tract with <12% poverty rate	0%	0, 20, 25 or 30	0.00
g. Development listed on the Rural Development Rehab Priority List	N	0 or 15	0.00
h. Dev. located in area with little or no increase in rent burdened population	N	Up to -20	0.00
i. Dev. located in area with increasing rent burdened population	Y	Up to 20	20.00
Total:			75.00

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			60.25
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	Y	0 or 60	60.00
or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units	N	0 or 30	0.00
or d. HUD 504 accessibility for 5% of units	N	0 or 15	0.00
e. Proximity to public transportation (within Northern VA or Tidewater)	Y10	0, 10 or 20	10.00
f. Development will be Green Certified	Y	0 or 10	10.00
g. Units constructed to meet Virginia Housing's Universal Design standards	100%	Up to 15	15.00
h. Developments with less than 100 units	Y	up to 20	5.60
i. Historic Structure	N	0 or 5	0.00
Total:			160.85

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$89,400	\$62,300

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 and income 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)	15.12%	Up to 10	10.00
e. Units with rent and income at or below 50% of AMI	100.00%	Up to 50	50.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	100.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	100.00%	Up to 50	0.00
Total:			60.00

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 Virginia Housing	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
Total:			50.00

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	88.26
b. Cost per unit		Up to 100	19.19
Total:			107.45

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	N	0 or 10	0.00
Total:			60.00

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

TOTAL SCORE: **523.30**

Enhancements:

	Max Pts	Score
All units have:		
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	25	22.25
c. Sub metered water expense	5	0.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Infrastructure for high speed internet/broadband	1	1.00
f. Free WiFi Access in community room	4	4.00
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	4.00
l. Cooking surfaces equipped with fire suppression features	2	0.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	5.00
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>60.25</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>
Total amenities:		<u>60.25</u>

X.

Development Summary

Summary Information

2021 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Cool Lane Apartments

Cycle Type: 9% Tax Credits	Requested Credit Amount: \$1,045,000
Allocation Type: Adaptive Reuse	Jurisdiction: Henrico County
Total Units: 86	Population Target: General
Total LI Units: 86	
Project Gross Sq Ft: 92,825.26	Owner Contact: Allison Bogdanovic
Green Certified? TRUE	

Total Score 523.30

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$8,624,128	\$100,281	\$93	\$197,383

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$9,955,000	\$115,756	\$107	55.05%
General Req/Overhead/Profit	\$1,393,700	\$16,206	\$15	7.71%
Other Contract Costs	\$207,500	\$2,413	\$2	1.15%
Owner Costs	\$4,789,297	\$55,690	\$52	26.48%
Acquisition	\$0	\$0	\$0	0.00%
Developer Fee	\$1,737,640	\$20,205	\$19	9.61%
Total Uses	\$18,083,137	\$210,269		

Total Development Costs	
Total Improvements	\$16,345,497
Land Acquisition	\$0
Developer Fee	\$1,737,640
Total Development Costs	\$18,083,137

Income	
Gross Potential Income - LI Units	\$1,087,596
Gross Potential Income - Mkt Units	\$0
Subtotal	\$1,087,596
Less Vacancy % (7.00%)	\$76,132
Effective Gross Income	\$1,011,464

Proposed Cost Limit/Sq Ft: \$195
Applicable Cost Limit/Sq Ft: \$390

Rental Assistance? TRUE

Unit Breakdown	
Supp Hsg	86
# of Eff	0
# of 1BR	0
# of 2BR	0
# of 3BR	0
# of 4+ BR	0
Total Units	86

Expenses		
Category	Total	Per Unit
Administrative	\$314,155	\$3,653
Utilities	\$81,600	\$949
Operating & Maintenance	\$170,375	\$1,981
Taxes & Insurance	\$142,496	\$1,657
Total Operating Expenses	\$708,626	\$8,240
Replacement Reserves	\$25,800	\$300
Total Expenses	\$734,426	\$8,540

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	13	13
50% AMI	73	73
60% AMI	0	0
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$1,011,464
Total Expenses	\$734,426
Net Income	\$277,038
Debt Service	\$197,383
Debt Coverage Ratio (YR1):	1.40

Income Averaging? TRUE

Extended Use Restriction? 30

2021 Low-Income Housing Tax Credit Application For Reservation

Virginia Housing is running a BETA test of new EUR calculations that will be considered for implementation in 2022. These points are only a test and will not be used for scoring purposes in 2021. Please contact taxcreditapps@virginiahousing.com with questions or comments.

Credit Points:

If the Combined Max Allowable is \$500,000 and the annual credit requested is \$200,000, you are providing a 60% savings for the program. This deal would receive all 200 credit points.

For another example, the annual credit requested is \$300,000 or a 40% savings for the program. Using a sliding scale, the credit points would be calculated by the difference between your savings and the desired 60% savings. Your savings divided by the goal of 60% times the max points of 200. In this example, $(40\%/60\%) \times 200$ or 133.33 points.

Using Current E-U-R method (up to 200)		88.26
Using proposed method:		
Combined Max	\$1,716,999	
Credit Requested	\$1,045,000	
% of Savings	39.14%	
Sliding Scale Points		130.47
<i>Difference</i>		42.21

Cost Points:

If the Applicable Cost by Square foot is \$238 and the deal's Proposed Cost by Square Foot was \$119, you are saving 50% of the applicable cost. This deal would receive all 100 credit points.

For another example, the Applicable Cost by SqFt is \$238 and the deal's Proposed Cost is \$153.04 or a savings of 35.70%. Using a sliding scale, your points would be calculated by the difference between your savings and the desired 50% savings. Your savings divided by the goal of 50% times the max points 100. In this example, $(35.7\%/50\%) \times 100$ or 71.40 points.

Using Current E-U-R method (up to 100)		19.19
Using proposed method:		
Total Costs Less Acquisition	\$18,083,137	
Total Square Feet	92,825.26	
Proposed Cost per SqFt	\$194.81	
Applicable Cost Limit per Sq Ft	\$390.00	
% of Savings	50.05%	
Sliding Scale Points		100.00
<i>Difference</i>		80.81

\$/SF = **\$196.48** Credits/SF = **12.1077** Const \$/unit = **\$134,374.4186**

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

11000
400
2

In
Nova
400
2

*REHABS LOCATED IN BELTWAY (\$15,000-\$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	1,003.59	0.00	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	86	0	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	244,000	0	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	244,000	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	244,000	0	0	0	0	0	0
PROJECT COST PER UNIT	197,188	0	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	21,749	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	21,749	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	21,749	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	12,151	0	0	0	0	0	0
COST PER UNIT POINTS	19.19	0.00	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	88.26	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	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	0	0	0	0	0	0	0
PROJECT COST PER UNIT	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	0	0	0	0	0	0
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **19.19**

TOTAL CREDIT PER UNIT POINTS **88.26**

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	244,000	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	244,000	0	0	0	0	0	0

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	21,749	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Credit Parameter	21,749	0	0	0	0	0	0

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	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

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	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	0	0	0	0	0	0	0

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	244,000	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	244,000	0	0	0	0	0	0

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	21,749	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	21,749	0	0	0	0	0	0

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	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

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	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

\$/SF = **\$196.48** Credits/SF = **12.1077** Const \$/unit = **\$134,374.42**

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

11000
400
2

400
2

*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	1,003.59	0.00	0.00	0.00	0.00	0.00	0.00
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PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	244,000	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0
COST PARAMETER	244,000	0	0	0	0	0	0
PROJECT COST PER UNIT	197,188	0	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	21,749	0	0	0	0	0	0
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PARAMETER-(CREDITS=>50,000)	21,749	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0
CREDIT PARAMETER	21,749	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	12,151	0	0	0	0	0	0
COST PER UNIT POINTS	19.19	0.00	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	88.26	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	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NUMBER OF UNITS	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	0	0	0
PARAMETER-(COSTS<50,000)	0	0	0	0	0	0	0	0
COST PARAMETER	0	0	0	0	0	0	0	0
PROJECT COST PER UNIT	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	0	0	0
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	0	0	0
CREDIT PARAMETER	0	0	0	0	0	0	0	0
PROJECT CREDIT PER UNIT	0	0	0	0	0	0	0	0
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

TOTAL COST PER UNIT POINTS **19.19**

TOTAL CREDIT PER UNIT POINTS **88.26**

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	244,000	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	244,000	0	0	0	0	0	0

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	21,749	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Credit Parameter	21,749	0	0	0	0	0	0

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	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

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	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Credit Parameter	0	0	0	0	0	0	0	0

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	244,000	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	244,000	0	0	0	0	0	0

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	21,749	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0
Adjusted Cost Parameter	21,749	0	0	0	0	0	0

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	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

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	0	0	0	0	0	0	0
Parameter Adjustment - mid rise	0	0	0	0	0	0	0	0
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
Adjusted Cost Parameter	0	0	0	0	0	0	0	0

A

Partnership or Operating Agreement

Including **chart of ownership structure with percentage of interests** and **draft developer fee agreement**
(MANDATORY)

**OPERATING AGREEMENT
OF
COOL LANE APARTMENTS, LLC**

This Operating Agreement (“Agreement”) of **COOL LANE APARTMENTS, LLC**, a Virginia limited liability company (the “Company”), is made and entered into as of February 5, 2019, by and between **Cool Lane Apartments Development Corporation, Inc.**, a Virginia corporation, as the Managing Member, and **Virginia Supportive Housing**, a Virginia nonstock corporation, as the Investor Member (collectively, the “Initial Members”).

**Article I.
Operating Agreement and Purpose**

A. *Formation.* The Members acknowledge and affirm the formation of this limited liability company on February 1, 2019 and execute and adopt this Agreement pursuant to the Virginia Limited Liability Company Act, Section 13.1-1000 *et seq.*, as amended and in force from time to time (the “Act”).

B. *Name.* The name of the limited liability company is **Cool Lane Apartments, LLC** (the “Company”).

C. *Purpose.* The primary purpose of the Company is to acquire, finance, develop, own, maintain, improve, operate, lease and, if appropriate or desirable, sell or otherwise dispose of certain interests in real and personal property. The Company may engage in any and all other lawful activities as may be necessary, incidental or convenient to carrying out the business of the Company as contemplated by this Agreement. The Company may also pursue any other lawful activity that is approved by the Members.

D. *Office.* The principal office of the Company shall be located at 8002 Discovery Drive, Suite 201, Richmond, VA 23229, or at such other place as the Manager may from time to time designate. The Company may have other offices at any place of places as may be determined by the Manager.

E. *Term.* The term of the Company commenced on the date of Certification of the Articles of Organization by the Virginia State Corporation Commission, and shall continue for so long as is provided for in the Articles of Organization, unless sooner dissolved and terminated as provided in this Agreement.

F. *Tax Matters Member/Partner.* To the extent that such a designation is required pursuant to the Code or the Regulations, the parties hereto agree to the designation of James Mellendick as the Tax Matters Member of the Company who shall fulfill the role of a “tax matters partner” pursuant to Section 6231 of the Internal Revenue Code of 1986, as amended, (the “Code”), with full power and authority to act on behalf of the Company and the Members in such capacity.

G. *Registered Office and Registered Agent.* The Company’s initial registered agent for service of process on the Company shall be T. Preston Lloyd, who is a resident of Virginia and a

member of the Virginia State Bar, or any successor as appointed by the Members, and the address of such agent shall be Williams Mullen Center, 200 South 10th Street, Richmond, Virginia 23219, or any other address designated from time to time by the Members. The registered office and the registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the State Corporation Commission of Virginia pursuant to the Act.

Article II. Capital Contributions

A. *Capital Contributions.* The initial capital contributions to the Company by the Initial Members are set forth on Schedule A attached hereto, which is incorporated in this Agreement by this reference. Additional capital contributions shall only be made as agreed upon by all the Members at that time. The initial capital contributions and the additional capital contributions shall be collectively referred to as the “Capital Contributions.”

B. *Membership Interests.* The percentage interest of each Member in the Company (“Membership Interest” or “Interest”) is as set forth on Schedule A attached hereto, which is incorporated in this Agreement by this reference.

C. *Member.* The term “Member” or “Members” shall include the Initial Members and any other contributor of capital for a Membership Interest and any assignee, transferee, successor, legatee or dispose of all or any part of a Membership Interest who is admitted to the Company as a Member pursuant to Article VII. The terms “Member” or “Members” shall also include any transferee of a Membership Interest who is not admitted as a Member, but such transferee’s rights and obligations hereunder shall only be as set forth in Article VII.A.

D. *Capital Accounts.* Capital Accounts will be maintained in accordance with Section 704 of the Code and the Treasury Regulations promulgated thereunder. It is the intent of the Members to comply with the purposes of these laws and this Agreement should be construed accordingly. Property contributions will be reflected in these accounts on the basis of fair market value at the time of contribution, even though the tax basis to the Company may be different.

E. *Interest and Return of Capital Contributions.* No Member shall be entitled to interest on its Capital Contribution. No Member shall be entitled to withdraw any part of its Capital Contribution or its Capital Account or to receive any distribution from the Company, and there shall be no obligation to return to any Member or withdrawn Member any part of such Member’s Capital Contributions for so long as the Company continues in existence, except as specifically provided in this Agreement.

F. *Loans.* Loans or advances by any Member to the Company shall not be considered Capital Contributions and shall not increase the Capital Account balance of the lending or advancing Member. No Member shall be required under any circumstances to contribute or lend any money or property to the Company.

Article III.
Allocation of Profits and Losses

A. *Profits and Losses.* “Profits” and “Losses” shall mean the taxable income or loss, as the case may be, for a period (or from a transaction) as determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss or deduction required to be separately stated pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), but computed with the following adjustments:

1. Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses shall be added to such taxable income or loss;

2. Any expenditures of the Company as described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses shall be subtracted from such taxable income or loss;

3. In the event of any adjustment to the book value of any Company asset as permitted by the Treasury Regulations under Section 704(b) of the Code, the amount of such adjustments shall be taken into account as gain or loss from the disposition of such asset;

4. In the event the book value of any asset has been adjusted, gain or loss resulting from the disposition of such asset shall thereafter be computed by reference to its adjusted book value, which shall reflect depreciation deductions which take into account the adjustments made to the book value thereof, notwithstanding the fact that the adjusted tax basis of such asset may be different; and

5. Notwithstanding any other provisions of this definition, any items which are specially allocated pursuant to Article III.C. shall not be taken into account in computing Profits or Losses.

B. *Allocation of Profits and Losses.* After giving effect to the special allocations provided in Article III.C, including any curative allocations as provided therein, the Profits and Losses of the Company for any fiscal year shall be allocated to the Members in proportion to their respective Membership Interests.

C. *Special and Curative Allocations.*

1. The provisions of the final and temporary Treasury Regulations promulgated under Internal Revenue Code Section 704(b) relating to the qualified income offset, minimum gain chargeback, minimum gain chargeback with respect to partner nonrecourse debt, the allocation of nonrecourse deductions and the allocation of items of deduction, loss or expenditure relating to partner nonrecourse debt are hereby incorporated in this Agreement by this reference and shall be applied to the allocation of Company items of income, gain, loss or deduction in the manner provided in such Treasury Regulations. However, the Members do not intend that the “deficit

restoration obligation” described in Section 1.704-1(b)(2)(ii)(b) or (c) of the Treasury Regulations or any successor provision thereto be incorporated into this Agreement.

2. The foregoing regulatory allocations are intended to comply with certain requirements of the Treasury Regulations. However, it is the intent of the Members that, to the extent possible, all of the regulatory allocations shall be offset either with other regulatory allocations or with special allocations of other items of Company income, gain, loss or deduction. Therefore, notwithstanding any other provision of this Article III (other than the regulatory allocations), the Members shall make such offsetting allocations of Company income, gain, loss or deduction in whatever manner the Member’s determine appropriate so that, after such offsetting allocations are made, each Member’s Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the regulatory allocations were not a part of this Agreement and all Company items were allocated pursuant to Article III.B. The Members may take into account future regulatory allocations which, although not yet made, are likely to offset other regulatory allocations made under this Article III.C.

D. *Other Allocation Rules.*

1. For purposes of determining the profits, losses, or any other items allocable to any period, profits, losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Members using any permissible method under Code Section 706 and the Treasury Regulations thereunder.

2. Except as otherwise provided in this Agreement, all items of the Company’s income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Members in the same proportions as they share Profits or Losses, as the case may be, for the year.

3. Except as otherwise provided in this Agreement, all items of income, gain, loss or deduction for federal income tax purposes shall be allocated to the Members in the same manner as the corresponding book allocations of such items as provided in this Article III.

4. Notwithstanding anything herein to the contrary, in the event that the principles of Section 704(c) of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder, require allocations of taxable income or loss of the Company in a manner different than that set forth above, including any instances in which the book value of Company’s assets has been adjusted as permitted under the Treasury Regulations, the provisions of Section 704(c) and the regulations thereunder shall control such allocations among the Members.

E. *Distributions.*

1. Except as otherwise provided in Article III.E.2 hereof, all distributions to the Members of cash or other property, except distributions upon the Company’s dissolution (which shall be governed by Article X) shall be made solely upon the affirmative vote of Members holding a majority of the Membership Interests. Notwithstanding the foregoing, in the event any distribution is made it shall be in accordance with the Members’ respective Membership Interests in

the Company. All amounts withheld pursuant to the Code or pursuant to any provisions of federal, state or local tax law with respect to any payment or distribution to the Members from the Company shall be treated as amounts distributed to the relevant Member or Members pursuant to this Article III.E.1. All distributions shall be subject to the terms of the Act and such other governmental restrictions as are now and may hereafter become effective.

2. Notwithstanding anything herein to the contrary, the Company shall make distributions to the Members during, or within ninety (90) days after the close of, each tax year of the Company which, when aggregated with all other distributions paid by the Company during the applicable tax year, are at least equal to the sum necessary to enable the Members to pay their federal and state income tax liabilities attributable to the taxable income allocated to them by the Company for such tax year of the Company. Such amount shall be determined using the maximum income tax rate of any Member.

F. *Tax Year and Accounting Methods.* It is the intent of the Members that this Company be treated as a partnership solely for federal and state tax purposes. The taxable year of the Company shall be the calendar year. The Company books and records shall be maintained on such basis of accounting as may be determined as proper by the certified public accountant regularly employed by the Company at that time (the "Company's Accountant"). The Company's Accountant is authorized to use good judgment in making determinations with respect to the treatment of particular items which are not clearly covered here or which would result in a violation of federal or state income tax laws as they exist from time to time.

Article IV. Management and Rights of Members

A. *Managers.* The Company shall be managed under the direction of a Manager. The Manager shall be elected and removed by the Members as provided in Section IV.D. The initial Manager of the Company shall be Cool Lane Apartments Development Corporation, Inc.

B. *General Powers of the Manager.*

1. Except as otherwise limited in this Operating Agreement, the Manager shall have the exclusive right to manage the Company and to make all decisions regarding the business of the Company. The Manager shall carry out the policies, directions, orders and resolutions of the Members in the manner described in this Operating Agreement and as authorized and directed by the Members from time to time. To the extent not inconsistent with the Act, the Articles or the express provisions of this Operating Agreement, the Managers shall have the same rights, powers and authority with respect to the Company. The Manager may delegate prescribed functions to any employee, agent or consultant.

2. The Manager is granted the right, power and authority to do in the name of, and on behalf of, the Company all things that, in his sole judgment, are necessary, proper or desirable to carry out the purposes of the Company, including, but not limited to, the right, power and authority to:

a. Enter into, make and perform contracts, agreements and other undertakings binding the Company that may be necessary, appropriate or advisable in furtherance of the purposes of the Company.

b. Open and maintain bank accounts, investment accounts and other arrangements, draw checks and other orders for the payment of money, and designate individuals with authority to sign or give instructions with respect to those accounts and arrangements; provided, that Company funds shall not be commingled with funds from other sources and shall be used solely for the benefit of the Company.

c. Collect funds due to the Company.

d. Acquire, utilize for the Company's purposes, maintain and dispose of any assets of the Company.

e. Pay debts and obligations of the Company, to the extent that funds of the Company are available therefor.

f. Borrow money or otherwise commit the credit of the Company for Company activities, and voluntarily prepay or extend any such borrowings.

g. Employ from time to time persons, firms or corporations for the operation and management of the Company, including, without limitation, managing agents, contractors, subcontractors, architects, engineers, laborers, suppliers, accountants and attorneys, on such terms and for such compensation as the Manager shall determine, notwithstanding the fact that the Manager or any Member may have a financial interest in such firms or corporations.

h. Make elections available to the Company under the Code.

i. Register the Company as a tax shelter with the Internal Revenue Service and furnish to the Internal Revenue Service lists of investors in the Company, if required, pursuant to applicable provisions of the Code.

j. Obtain general liability, property and other insurance for the Company, as the Managers deems proper.

k. Take such actions as may be directed by the Members in furtherance of their approval of any matter set forth in Article IV hereof.

l. Do and perform all such things and execute, acknowledge and deliver any and all such instruments as may be in furtherance of the Company's purposes and necessary and appropriate to the conduct of its business.

m. To own, acquire by lease or purchase, develop, maintain, and provide, grant options with respect to, sell, convey, finance, assign, mortgage, or lease real estate and/or personal property and to cause to have constructed improvements upon any real estate

necessary, convenient or incidental to the accomplishment of the purposes of Company.

3. All actions taken by the Manager on behalf of the Company from the date of its organization to the execution of this Agreement are ratified and confirmed.

C. *Tenure.* The Manager shall hold office until his death, resignation, disqualification or removal.

D. *Removal; Vacancy.* A Manager may be removed only for cause, which for these purposes shall mean a Manager's material default in the performance of its duties hereunder and failure to cure such material default within sixty (60) days. Such removal shall be without prejudice to the contractual rights, if any, of the person so removed. Any vacancy created or caused by removal, death, resignation or disqualification shall be filled by the affirmative vote of the Members holding a majority of the Membership Interests entitled to vote.

E. *Compensation.* The compensation, if any, of the Manager shall be fixed from time to time by the Members. The Managers shall be entitled to reimbursement for expenses incurred by them in performing their duties, according to the policies set by the Members from time to time. Any amount paid as compensation to a Manager who is also a Member shall be treated as a guaranteed payment in accordance with Code Section 707(c).

F. *Power of Attorney.*

1. Each Member does hereby irrevocably constitute and appoint the Manager serving in office from time to time, and each of them, as the Company's true and lawful attorney-in-fact, with full power and authority in their or its name, place and stead, to make, execute, consent to, swear to, acknowledge, record and file from time to time any and all of the following:

a. Any certificate or other instrument that may be required to be filed by the Company or the Members under the laws of the Commonwealth of Virginia or under the applicable laws of any other jurisdiction to the extent the Manager deems any such filing to be necessary or desirable;

b. Any instrument or document which may be required to effect the continuation of the Company, the admission of an additional or substitute Member, or the dissolution and termination of the Company pursuant to the provisions of this Operating Agreement; and

c. Any agreement, instrument, lease, deed, deed of trust, promissory note, certificate or other document in the name or on behalf of the Company which is necessary or appropriate to implement, effectuate or otherwise carry out any transaction to which the Company is a party or to which the Company or any of its assets is or may be subject, provided such transaction has been approved by the Manager or the Members, as the case may be, in accordance with the provisions of this Operating Agreement.

2. The appointment by each Member of the Manager of the Company as his attorney-in-fact is irrevocable and shall be deemed to be a power coupled with an interest and shall survive the disability, incompetence, bankruptcy, death or dissolution of any person given such power, except, that in the event of an assignment by a Member of all or any part of his membership interest, this power of attorney shall survive such assignment only until such time, if any, as the successor in interest shall have been admitted to the Company as a substitute member and all required documents and instruments shall have been duly executed, filed and recorded to effect such substitution.

G. *Managers Have No Exclusive Duty to Company.* Unless otherwise expressly provided hereunder or under any other agreement entered into between the Company and such Manager, a Manager shall not be required to manage the Company as his sole and exclusive function, and he may have other business interests and may engage in other activities in addition to those relating to the Company, and neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of such Manager or to the income or proceeds derived therefrom.

H. *Transactions with Managers.* The Managers (a) may appoint, employ, contract or otherwise deal with any person, including the Manager or an affiliate thereof, and with persons that have a financial interest in the Manager or in which the Manager has a financial interest, for transacting the Company's business, including the performance of any and all services or purchases of goods or other property which may at any time be necessary, proper, convenient or advisable in carrying on the business and affairs of the Company or in disposing of some or all of its assets; and (b) may otherwise enter into business transactions (including but not limited to the sale, merger, or other disposition of the Company or all or substantially all of its assets) with any such persons.

I. *Special Meetings.* A meeting of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by any Member or group of Members holding at least thirty percent (30.0%) of the Membership Interests entitled to vote. The Members will meet for the transaction of Company business at such places and times as are mutually convenient to them. Nothing in this Agreement will be construed as limiting the ability of the Members to transact Company business by unanimous written consent without a formal meeting.

J. *Notice of Meetings.* Written notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called shall be delivered not less than 10 nor more than 60 days before the date of the meeting, either personally or by mail, by or at the direction of the person or persons calling the meeting, to each Member entitled to vote at such meeting.

K. *Meeting of all Members.* If all of the Members meet at any time and place, either within or outside of the Commonwealth of Virginia, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting lawful action may be taken.

L. *Quorum.* Members holding at least a majority of the Membership Interests entitled to vote at a meeting of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members.

M. *Proxies.* At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

N. *Action by Members Without a Meeting.* Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if one or more written consents to such action are signed by each Member entitled to vote and such consent or consents are filed with the minutes of the proceedings of the Members. Action taken under this paragraph is effective when all Members entitled to vote have signed the consent or consents, unless the consent or consents specifies a different effective date. The record date for determining Members entitled to take action without a meeting shall be the date the first Member signs a written consent.

O. *Waiver of Notice.* When any notice is required to be given to any Member, a waiver thereof in writing signed by the Member entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

P. *Majority Vote.* Except as otherwise provided in this Agreement, all decisions made by the Members will be made by an affirmative vote of the Members holding a majority of the Membership Interests entitled to vote. Recipients of a Membership Interest who have not been admitted as a Member shall have no voting rights except as required by law.

Q. *Other Ventures.* The Members may be involved in other business ventures, independently or with others, and neither the Company nor any of the Members shall have any rights by virtue of this Agreement in the independent ventures or the income or profits derived from them.

Article V. Indemnification

A. *Indemnification of Members and Managers.* The Members acknowledge, agree and desire that the liability of any Member or Manager to the Company or to any of the other Members shall be eliminated, to the maximum extent possible, pursuant to Virginia Code Section 13.1-1025, as amended. The provisions of this Article are in addition to, and not in substitution for, any other right to indemnity to which any person who is or may be indemnified by or pursuant to this Article may otherwise be entitled, and to the powers otherwise accorded by law to the Company to indemnify any such person and to purchase and maintain insurance on behalf of any such person against any liability asserted against or incurred by him in any capacity referred to in this Article or arising from his status as serving or having served in any such capacity (whether or not the Company would have the power to indemnify against such liability).

B. *Effect of Invalid Provisions.* If any provision of this Article shall be adjudicated invalid or unenforceable, such adjudication shall not be deemed to invalidate or otherwise affect any other provision hereof or any power of indemnity which the Company may have under the laws of the Commonwealth of Virginia.

C. *Survival of Indemnification Provisions.* No amendment or repeal of this Section shall limit or eliminate the right to indemnification provided hereunder with respect to acts or omissions occurring prior to such amendment or repeal.

D. *No Personal Liability to Members.* Notwithstanding the above, the indemnification provided in this Article or otherwise shall in no event cause the Members to incur any liability beyond their total Capital Contributions plus their share of any undistributed profits of the Company, nor shall it result in any liability of the Members to any third party.

Article VI. Transfer of Membership Interest

A. *No Right to Withdraw.* No Member shall have any right to voluntarily resign or otherwise withdraw from the Company during its term as provided for in the Articles of Organization without the prior written consent of all remaining Members of the Company. Any attempted resignation or withdrawal without the requisite consent shall be null and void and have no legal effect.

B. *Transfer of Interest.* No Member shall, directly or indirectly, transfer, sell, give, encumber, assign, pledge, or otherwise deal with or dispose of all or any part of his Membership Interest now owned or subsequently acquired by him, other than as provided for in this Agreement. Any transfer in violation of and without full compliance with this Agreement shall be void and without legal effect.

C. *Permitted Transfers.*

1. Notwithstanding the above, any Member (the "Transferring Member") may transfer all or any portion of the Member's Interest at any time to any of the following, hereinafter referred to as "Permitted Transferees":

- a. Other Members;
- b. The children or other descendants of any Member; or
- c. A trustee who holds such Membership Interest in trust for the exclusive benefit of any one or more of such persons listed in paragraphs C.1.a. and C.1.b. of this Article IV, except that the spouse of a lineal descendant of the Transferring Member may hold an income interest in such a trust and/or a limited power to appoint the income and/or principal of such trust to a lineal descendant (or a trust for the benefit of a lineal descendant) of the Transferring Member.

2. Notwithstanding the restrictions set forth in paragraphs A. and B. above, any Membership Interest that is held by a custodian for a minor under the laws of the Commonwealth of Virginia or any other state shall be fully transferable and assignable to the minor when the minor reaches the age of termination of such custodianship under applicable law.

D. *Option Events in the Event of Death or Bankruptcy.*

1. A Member (the "Transferring Member") shall be deemed to have offered to sell all of such Member's Interest in the Company to the Company and the other Members (referred to as "Remaining Members"), as provided below, on the date of the occurrence of any of the following events (an "Option Event"):

a. The death of the Member, unless the deceased Member's interest is transferred by will, intestate succession or otherwise to a Permitted Transferee as provided for in Article VI.C.1.

b. The bankruptcy (voluntary or involuntary) as adjudicated by a court, appointment of a receiver, or assignment for the benefit of the creditors of the Member.

The Transferring Member shall deliver written notice of any such event to the Company and each of the Remaining Members within ninety (90) days after the Option Event. If notice is not given within such ninety (90) day period, the Company and Remaining Members may, but shall not be required to, treat such notice as having been given on the 90th day and proceed with their rights to purchase as provided below. Failure to exercise such right shall not be deemed a waiver of such right until actual notice is delivered and the respective option periods have expired. No interest shall accrue on the purchase price for such Interest until the actual Closing Date.

2. *Remaining Member's Right of Refusal.* Within sixty (60) days after receipt of the notice provided for in Article VI.D.1., the Remaining Members shall have the right to purchase all or any part of the Transferring Member's Interest in proportion to their Membership Interest in the Company (excluding the Transferring Member's Interest), or in such proportions as they may otherwise unanimously agree, at the price and upon the terms specified in Articles VIII and IX of this Agreement, respectively. Written notice of acceptance must be mailed or delivered to the Transferring Member within such sixty (60) day period.

3. *Company's Right of Refusal.* If the Remaining Members fail to exercise their options with respect to the Interest of the Transferring Member, the Company, by a majority vote of the Interests of the Remaining Members, shall have the right, for a period of fifteen (15) days after the expiration of the Remaining Members' sixty (60) day option period, to purchase all or any part of the remaining Interest of the Transferring Member at the price and upon the terms specified in Articles VIII and IX of this Agreement, respectively. Written notice of the Company's acceptance must be mailed or delivered to the Transferring Member within such fifteen (15) day period.

4. *Failure to Exercise Options.* If the Company and the Remaining Members fail to acquire all of the Transferring Member's Interest upon such offering, then the Transferring Member may transfer his remaining and unpurchased Interest to whomever he so designates. However, the transferee shall not become a Member unless admitted as such as provided in Article VII of this agreement.

E. *Non-Member's Interest.* For purposes of determining the Remaining Members' proportionate Interest in the Company as provided for in this Article, the Interest of Members who have not been admitted as such shall be ignored.

Article VII.
Admission of a New Member

A. *Rights of Transferee.* Except as provided below for Permitted Transferees, any transfer of a Membership Interest as set forth in Article VI shall be effective only to give the transferee the right to receive the share of tax allocations and distributions to which the Transferring Member would otherwise be entitled. A Permitted Transferee, unless the Transferring Member expressly provides otherwise, shall have the right to become a substitute Member, if such Permitted Transferee agrees to be bound by all the terms and conditions of the Agreement as then in effect. No other transferee shall have the right to become a substitute Member unless all of the other Members, in the exercise of their sole and absolute discretion, expressly consent thereto in writing and the transferee agrees to be bound by all the terms and conditions of this Agreement as then in effect. Unless and until a transferee is admitted as a substitute Member, and except as provided above with respect to allocations and distributions, the transferee shall have no right to exercise any of the powers, rights, and privileges of a Member hereunder.

B. *Admission of New Member.* Additional Membership Interests may be issued by the Company and additional Members may be admitted to the Company only by unanimous agreement of the Members. The terms applicable to the admission of new Members will be as agreed by all the Members at that time.

C. *Rights of Transferring Member.* A Member who has assigned his Membership Interest shall cease to be a Member upon assignment of the Member's entire Membership Interest and thereafter shall have no further powers, rights, and privileges as a Member hereunder, but shall, unless otherwise relieved of such obligations by agreement of all of the other Members or by operation of law, remain liable for all obligations arising while he was a Member.

Article VIII.
Purchase Price

A. *Value of Interest Being Transferred.* Unless the Company and the Members (Transferring and Remaining) unanimously agree in writing to a different price for the Interest being transferred hereunder, the purchase price for the Transferring Members' Interest offered for sale hereunder shall be determined as of the Valuation Date by an independent appraiser selected by the Company and the Transferring Member. If the Company and the Transferring Member cannot agree upon the selection of an independent appraiser, the Company and the Transferring Member shall each select one independent appraiser, and the two selected independent appraisers shall select a mutually acceptable third independent appraiser. The third independent appraiser shall independently determine the fair market value of the Transferring Member's Interest. The purchase price of the Transferring Member's Interest shall be the average of the three independent appraisers' determination of the fair market value of the Transferring Member's Interest. Any independent appraiser may employ other independent professionals to assist them in such valuation. The

determination of value by the independent appraiser shall be final and binding on all parties if made in good faith.

B. *Valuation Date.* The Valuation Date shall be the day on which an Option Event occurs.

C. *Allocation of Costs of Withdrawal.* If withdrawal is other than by reason of death, then \$5,000.00 of the costs of withdrawal incurred, in total, by the Company or any Member (other than the Transferring Member) including legal and accounting fees, will be charged to the Transferring Member and deducted from the value of the Transferring Member's Interest to the extent the Transferring Member does not pay the amounts before settlement. All additional costs and expenses above this amount shall be borne by the party that incurs the costs; provided however, all fees relating to the appraisal shall be borne one-half by the seller and one-half by the buyers (after taking into account the Transferring Member's obligation to paying the first \$5,000.00 of costs as provided, above).

Article IX. Settlement

A. *Settlement of Purchase.* The settlement of any purchase of an Interest under this Agreement shall be made on the Closing Date at the principal office of the Company, or if agreed to by the parties, the offices of the Company's legal counsel. The Closing Date shall be the date that is one hundred twenty (120) days after the date of receipt of the Transferring Member's written notice as required under Article VI, or such other date as agreed upon by the Transferring Member and those of the Company and Remaining Members who are purchasing any Interest.

1. *Payment.* Each purchaser of any Interest of a Transferring Member shall have the option of making payment of their portion of the respective purchase price (i) in cash or by certified check, (ii) by a promissory note, or (iii) partly in cash and partly by a promissory note.

2. *Interest Rate and Term.* The promissory note shall be executed by the appropriate purchaser or purchasers payable to the order of the Transferring Member, bearing simple interest on the unpaid principal balance at an annual rate equal to the applicable federal rate under Section 1274 of the Internal Revenue Code, as amended, determined as of the Closing Date, compounded monthly. The note shall provide for payment of both principal and accrued interest, in sixty (60) equal monthly installments. The first installment shall be payable on the date that is one (1) month after the Closing Date. The remaining installments shall be payable thereafter on the same day of each successive month until paid in full, provided, however, the entire indebtedness shall be paid in full on the date that is five (5) years from the date of the Closing Date.

3. *Option to Prepay.* The purchaser or purchasers shall have the unrestricted right to prepay the note in whole or in part, at any time and from time to time without penalty or premium; provided, however, that any such partial prepayment shall be in an amount of not less than \$5,000.00.

4. *Acceleration.* The note shall provide for optional acceleration of maturity in

the event of a default in payment of principal or interest, or upon the insolvency of, or the assertion of insolvency by or against any maker, endorser or guarantor of the note. In addition, the note will become due and payable in full if the Company sells substantially all of its assets and business, or enters into any legal arrangement which has substantially the same effect. The note shall provide for the reimbursement of reasonable attorney fees in the collection of all or any part of the note upon default. The note may be secured, at the option of the Transferring Member, by a pledge of the Member's Interest purchased, but not a specific pledge of the assets of the Company.

Article X. Dissolution

A. *Events Resulting in Dissolution.* The Company will be dissolved upon the occurrence of any of the following:

1. The unanimous written consent of all the Members;
 2. The adjudication of the Company as insolvent within the meaning of insolvency in either bankruptcy or equity proceedings, or the filing of an involuntary petition in bankruptcy against the Company (which is not dismissed within ninety (90) days), or the filing against the Company of a petition for reorganization under the Federal Bankruptcy Code or any state statute (which is not dismissed within ninety (90) days), or a general assignment by the Company for the benefit of creditors, or the voluntary claim (by the Company) that it is insolvent under any provisions of the Bankruptcy Code (or any state insolvency statutes), or the appointment for the Company of a temporary or permanent receiver, trustee, custodian, sequestrator, and such receiver, trustee, custodian, or sequestrator is not dismissed within ninety (90) days;
 3. At any time there are no members; however, the Company is not dissolved and is not required to be wound up if, within six months after the occurrence of the event that caused the dissociation of the last remaining Member, the personal representative of the last remaining Member agrees in writing to continue the Company until the admission of the personal representative of such Member or its nominee or designee to the Company as a Member, effective as of the occurrence of the event that caused the dissociation of the last remaining Member;
 4. The entry of a decree of judicial dissolution of the Company under the Act;
- or
5. When so determined in accordance with other specific provisions of this Agreement.

B. *Conclusion of Affairs.* In the event of the dissolution of the Company for any reason, the Members shall proceed promptly to wind up the affairs of and liquidate the Company. Except as otherwise provided in this Agreement, the Members shall continue to share distributions and tax allocations during the period of liquidation in the same manner as before the dissolution.

C. *Liquidating Distributions.* After providing for the payment of all debts and liabilities of the Company and all expenses of liquidation, and subject to the right of the Members

to set up such reserves as it may deem reasonably necessary for any contingencies or unforeseen liabilities or obligations of the Company, the proceeds of the liquidation and any other assets of the Company shall be distributed to or for the benefit of the Members in accordance with this Agreement. Unless the Members entitled to vote (by a majority vote) agree to some other form of distribution, the distributions to the Members upon liquidation shall be made in kind based on the fair market value of the Company's assets at that time. If such distribution is in kind, each Member shall take a fractional interest in each and every asset of the Company unless the Members agree to some other method of division.

D. *Priority in Liquidation.* If the Company is terminated, the Members will proceed with the liquidation of the Company as provided in the previous section and the proceeds from the liquidation will be applied as follows:

1. First, to the payment of debts and liabilities of the Company, other than loans and advances that may have been made by the Members to the Company, and the expenses of liquidation;

2. Next, the proceeds will be applied to the payment of any loans or advances that may have been made by any Member to the Company, but if the amount available for repayment is insufficient, then on a pro rata basis;

3. Next, the Company's assets will be distributed to the Members, pro rata in accordance with their respective positive Capital Account balances, after giving effect to all contributions, distributions and allocations for all periods; and

4. Any balance remaining shall be distributed to the Members in accordance with their Membership Interests.

E. *Termination.* Within a reasonable time following the completion of the liquidation of the Company, the Members shall be supplied a statement which shall set forth the assets and the liabilities of the Company as of the date of complete liquidation and each Member's portion of the distributions pursuant to this Agreement. Upon completion of the liquidation of the Company and the distribution of all the Company's assets, the Company shall terminate, and the Members shall execute and record a Certificate of Cancellation of the Company as well as any and all other documents required to effectuate the dissolution and termination of the Company.

F. *No Deficit Restoration.* A negative or deficit balance in any Member's Capital Account shall not be deemed to be an asset of the Company, and no Member with a negative or deficit Capital Account balance shall have any obligation to the Company, to any other Member or to any third party or creditor to restore such negative or deficit balance. No Member shall be personally liable for the return of all or any part of the Capital Contributions of any other Member. Any such return of Capital shall be made solely from Company assets; provided, however, nothing contained herein shall be deemed to limit the right of the Company to recover from a Member for acts or omissions constituting breach of fiduciary duty, fraud, misconduct, bad faith or gross negligence.

Article XI.
Miscellaneous

A. *Books and Records.* At all times during the term of the Company, the Members shall keep, or cause to be kept, full and faithful books of account, records and supporting documents, which shall reflect, completely, accurately and in reasonable detail, each transaction of the Company (including, without limitation, transactions with the Members). The books of account, records, and all documents and other writings of the Company shall be kept and maintained at the principal office of the Company. Each Member or his designated representative shall, upon reasonable notice to the Members, have access to such financial books, records, and documents during reasonable business hours and may inspect and make copies of any of them at his own expense. The Members shall cause the Company to keep at its principal office the following:

1. Current list of the full name and last known business address of each Member, in alphabetical order;
2. A copy of the Articles of Organization and the Certificate of Organization, and all Articles of Amendment and Certificates of Amendment thereto;
3. Copies of the Company's federal, state, and local income tax returns and reports, if any, for the seven most recent years; and
4. Copies of the Operating Agreement, as amended, and of any financial statements of the Company for the seven most recent years.

B. *Amendment.* This Agreement may only be modified or amended by a written instrument. Except as otherwise required by law, such amendment may only be made in accordance with the unanimous written consent of all the Members entitled to vote. The parties further agree to execute any amendment to this Agreement as may be considered necessary by legal counsel to the Company in order for it to be treated as a partnership for federal and state income tax purposes.

C. *Notices.* For purposes of this Agreement, notices, offers and acceptances must be in writing and will be deemed to be served and received at the time mailed by United States registered or certified mail to the last known address of the party involved or when delivered in person.

D. *Enforceability.* The waiver by any party to this Agreement of a breach of any provision of this Agreement will not operate or be construed as a waiver of any subsequent breach by any party. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid and unenforceable provision were omitted.

E. *Binding Effect.* This Agreement will inure to the benefit of and be binding upon the parties to this Agreement, their successors, heirs, personal representatives and assigns.

F. *Interpretation.* Whenever the context may require, any noun or pronoun used herein

shall include the corresponding masculine, feminine or neuter forms. The singular form of nouns, pronouns and verbs shall include the plural and vice versa.

G. *Further Assurances.* Each Member hereby agrees that it shall hereafter execute and deliver such further instruments, provide all information and take or forbear such further acts and things as may be reasonably required or useful to carry out the intent and purpose of this Agreement and as are not inconsistent with the terms hereof.

H. *Confidentiality.* No Member may, without the approval of all remaining Members entitled to vote, divulge to others any information not already known to the public pertinent to the services, clients, customers or operations of the Company, whether before or after the Company's dissolution.

I. *Counterparts.* This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together will constitute one instrument, binding upon all parties hereto, notwithstanding that all of such parties may not have executed the same counterpart.

J. *Good Faith.* The Members agree to exercise good faith and reasonableness in the interpretation and implementation of the provisions of this Agreement.

K. *Governing Law.* This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia, without reference to its conflicts of laws rules.

L. *Headings.* The headings, subheadings and other captions in this Agreement are for convenience and reference only and shall not be used in interpreting, construing or enforcing any of the provisions of this Agreement.

M. *Entire Agreement.* This Agreement contains the entire understanding between the Members and supersedes any prior written or oral agreements between them respecting the subject matter within. There are no representations, agreements, arrangements or understandings, oral or written, between and among the Members relating to the subject matter of this Agreement, which are not fully expressed herein.

[SIGNATURE PAGE TO FOLLOW]

The undersigned, being the Initial Members of the Company, hereby agree, acknowledge and certify that the foregoing Operating Agreement, including the attached Schedule, constitutes the sole and entire Operating Agreement of the Company, adopted as of the date first above written.

MEMBERS:

COOL LANE APARTMENTS DEVELOPMENT CORPORATION, INC, a Virginia corporation

Date: February 5, 2019

By: Allison Bogdanovic
Name: Allison Bogdanovic
Title: Executive Director

VIRGINIA SUPPORTIVE HOUSING, a Virginia nonprofit corporation

Date: February 5, 2019

By: Allison Bogdanovic
Name: Allison Bogdanovic
Title: Executive Director

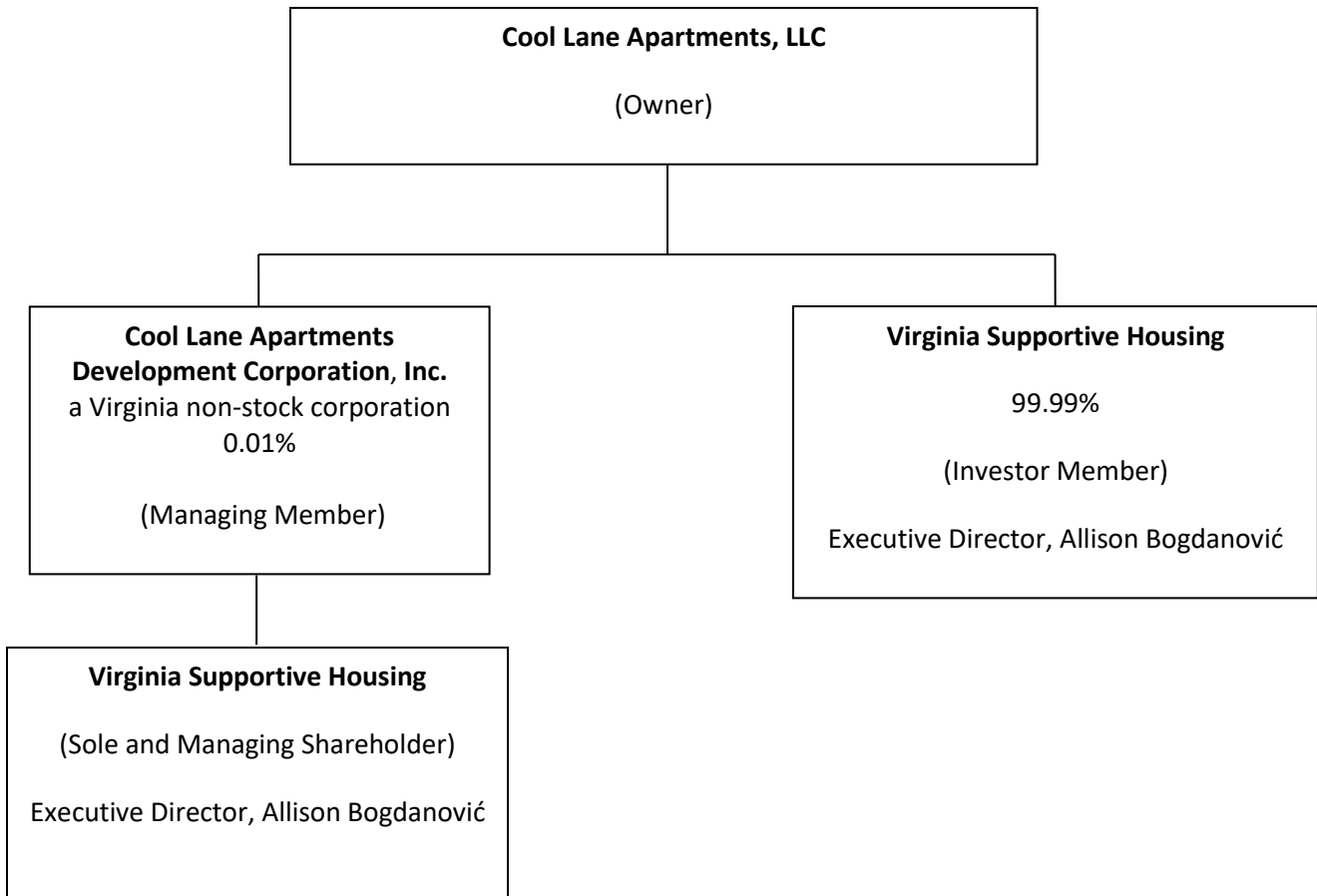
Schedule A

Capital Contributions and Membership Interests

Name and Address	Capital Contribution	Membership Interest
Cool Lane Apartments Development Corporation, Inc. 8002 Discovery Drive, Suite 201 Richmond, VA 23229	\$10.00	0.01%
Virginia Supportive Housing 8002 Discover Drive, Suite 201 Richmond, VA 23229	\$100.00	99.99%

Cool Lane Apartments

Cool Lane Apartments, LLC (Owner) is comprised of Cool Lane Apartments Development Corporation, Inc. and Virginia Supportive Housing. Cool Lane Apartments Development Corporation, Inc. is the Managing Member and is responsible for the day-to-day management of the company. Virginia Supportive Housing (VSH) owns 100% of the outstanding stock of Cool Lane Apartments Development Corporation, Inc. and thus is responsible for the day-to-day management of the company. VSH is also the Property Management and Supportive Service provider. Virginia Supportive Housing is the investor member.



DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "Agreement") made as of _____ between Virginia Supportive Housing, a Virginia nonprofit corporation (the "Developer") and Cool Lane Apartments, LLC, a Virginia limited liability company (the "Company").

WITNESSETH:

WHEREAS, the Company has been formed to develop, construct, own, maintain and operate certain property as low-income residential rental housing, to be known as Cool Lane Apartments, to be located at 1900 Cool Lane, Richmond, Virginia (the "Project"); and

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, in consideration for such services, the Company has agreed to pay to the Developer certain fees computed in the manner stated herein.

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 of the Company (“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 construction 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 the 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 construction of 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 similar 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 of the Project ("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) To the extent applicable to the construction of the Project, comply with all 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 having jurisdiction over the

Project. 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 construction of 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 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 \$25,000 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 \$25,000, 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 between the Company and the Management Agent (“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 Company Agreement.

Section 4. Obligation To Complete Construction.

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 mechanic’s, 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 loan and other documents governing the development and operation of the Project and in the plans and specifications for the Project.

Section 5. Development Amount.

As a fee for its services in connection with the development of the Project and the supervision of the construction/rehabilitation of the Project as set forth in Section 1 and elsewhere in this Agreement, the Developer shall be paid an amount (the “Development Amount”) equal to One Million Seven Hundred and Thirty-Seven Thousand and Six Hundred and Forty Dollars (\$1,737,640). The Development Amount shall be deemed to have been earned as follows:

- (i) Twenty percent (20%) as of the date of this Agreement;
- (ii) Eighty percent (80%) upon substantial completion of the Project;

The Development Amount shall be paid from and only to the extent of the Company's available cash, in installments as follows:

- (i) _____ percent (___%) on initial equity funding of the Project;
- (ii) _____ percent (___%) upon substantial completion of the Project; and
- (iii) _____ percent (___%) upon achievement of 95% occupancy for the Project.

Any installment of the Development Amount not paid when otherwise due hereunder shall be deferred without interest and shall be paid from next available cash, provided, however, that any unpaid balance of the Development Amount shall be due and payable in all events at the earlier of (i) the thirteenth anniversary of the date of this Agreement, or (ii) if the Project qualifies for Tax Credits under Code Section 42, then the end of the Project's compliance period.

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.

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 Partners and shall not inure to the benefit of any creditor of the Company other than a Partner, 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:

Cool Lane Apartments, LLC, a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc. a Virginia corporation, Managing Member

By: Virginia Supportive Housing, a Virginia nonprofit corporation, its sole member and sole shareholder

By: _____
Name: Allison Bogdanovic
Title: Executive Director

DEVELOPER:

Virginia Supportive Housing, a Virginia nonprofit corporation

By: _____
Name: Allison Bogdanovic
Title: Executive Director

B

Virginia State Corporation
Commission Certification
(MANDATORY)

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That Cool Lane Apartments, LLC is duly organized as a limited liability company under the law of the Commonwealth of Virginia;

That the limited liability company was formed on February 1, 2019; and

That the limited liability company is in existence in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

February 25, 2021

A handwritten signature in cursive script, reading "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

C

Principal's Previous
Participation Certification
(MANDATORY)



Previous Participation Certification

Development Name: Cool Lane Apartments
Name of Applicant (entity): Cool Lane Apartments, LLC
Cool Lane Apartments Development Corporation, Inc.

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 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.

Allison Bogdanovic

Signature

Allison Bogdanovic

Printed Name

March 15, 2021

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: Cool Lane Apartments
 Name of Applicant: Cool Lane Apartments, 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 2005 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

Virginia Supportive Housing **Controlling GP (CGP) or 'Named' Managing Member of Proposed property?*** Y
 Principal's Name: Y or N

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	Gosnold Apartments / Norfolk, VA	Gosnold Apartments, LLC / (804)788-6825	Y	60	60	12/27/2006	7/10/2007	N
2	Cloverleaf Apartments / Virginia Beach, VA	Cloverleaf Apartments, LLC / (804)788-6825	Y	60	60	10/9/2008	10/20/2008	N
3	South Bay Apartments / Portsmouth, VA	South Bay Apartments, LLC / (804)788-6825	Y	60	60	11/23/2010	9/6/2011	N
4	Studios at South Richmond / Richmond, VA	Studios at South Richmond, LLC / (804)788-6825	Y	21	21	9/1/2011	5/1/2012	N
5	The Crossings at 4th and Preston / Charlottesville, VA	The Crossings at 4th and Preston, LLC / (804)788-6825	Y	60	60	3/1/2012	12/12/2012	N
6	Heron's Landing / Chesapeake, VA	Heron's Landing, LLC / (804)788-6825	Y	60	60	12/5/2012	11/8/2013	N
7	Crescent Square / Virginia Beach, VA	Crescent Square, LLC / (804)788-6825	Y	80	80	12/1/2015	11/8/2016	N
8	Studios II / Richmond, VA	Studios II, LLC / (804)788-6825	Y	39	39	2/28/2016	7/19/2016	N
9	Church Street Station Studios / Norfolk, VA	Church Street Station Studios, LLC / (804)788-6825	Y	80	80	11/1/2017	11/27/2018	N
10	New Clay House II / Richmond, VA	New Clay House II, LLC / (804)788-6825	Y	80	80	4/22/2019	12/4/2019	N
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* 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.

1st PAGE
TOTAL:

600 600

LIHTC as % of
100% Total Units

**Virginia Supportive Housing
8002 Discovery Drive, Suite 201
Richmond, Virginia 23229
P.O. Box 8585
Richmond, Virginia 23226
(804) 788-6825; (804) 788-6827 [Fax]
www.virginiassupportivehousing.org**

Virginia Supportive Housing (VSH) is a private, non-profit 501(c)3 community development corporation that was incorporated in January 1988. Its mission is to end homelessness by providing permanent housing and supportive services to the most vulnerable individuals in our society. VSH is managed by a Board of Directors.

For over thirty years, VSH has been providing a proven, permanent solution to homelessness for homeless single adults. VSH operates under the Housing First model which recognizes the success of housing individuals first and then providing supportive services such as case management, housing stabilization, independent living skills, mental health counseling, community engagement and social support, transition planning, and employment, education, and vocational support. People who are persistently homeless face many complex challenges besides their homelessness, including very low incomes and other issues such as substance abuse, mental illness, and HIV/AIDS. Providing services along with affordable housing helps residents maintain housing stability within their homes and communities while reducing the need for expensive emergency shelters.

Supportive Studio and One Bedroom Apartments for Homeless and Low-Income Single Adults

New Clay House – 707 N Harrison Street, Richmond
Gosnold Apartments – 2425 Gosnold Avenue, Norfolk
Cloverleaf Apartments – 964 South Military Highway, Virginia Beach
South Bay Apartments – 1600 South Street, Portsmouth
Studios at South Richmond – 5409 Hull Street Road, Richmond
The Crossings at Fourth and Preston – 401 Fourth Street NW, Charlottesville
Heron’s Landing – 2133 South Military Highway, Chesapeake
Crescent Square – 1333 Diamond Springs Road, Virginia Beach
Church Street Station Studios – 2016 Church Street, Norfolk
Cool Lane Apartments – 1900 Cool Lane, Richmond

VSH operates two supportive studio apartment buildings in Richmond – New Clay House and Studios at South Richmond. Since opening in 1992 with forty-seven units, New Clay House, the first SRO in Virginia, has provided permanent housing and support services for homeless adults.

New Clay House was originally developed through the adaptive reuse of an old brewery at a total cost of \$1,900,000. VSH was awarded a Governor's Housing Achievement Award for New Clay House in 1993. In 2019 New Clay House was renovated and expanded to a total of eighty studio apartments for homeless and low-income adults. The historic renovation and expansion also created additional offices for onsite support services and property management staff as well as expanded resident community space. The development costs were approximately \$19,000,000. Twenty units have Project Based Vouchers administered by the Richmond Redevelopment and Housing Authority (RRHA).

VSH opened South Richmond SRO in 1996 with thirty-nine units. South Richmond SRO provides permanent housing and support services for homeless adults. VSH developed South Richmond SRO by converting a Budget Motel. Total development costs were \$2,200,000. In 2011, a twenty-one unit addition to the building was completed for a total of \$3,500,000. Rehabilitation on the initial thirty-nine units was completed in early 2016 and included expanding the square footage of each unit. Total development costs were approximately \$5,900,000 and the building name was changed to Studios at South Richmond. All sixty units have Project Based Vouchers administered through RRHA.

Gosnold Apartments in Norfolk opened in December 2006 and has sixty supportive studio apartments for homeless adults from the cities of Norfolk, Virginia Beach, and Portsmouth. The project is part of a regional effort to end homelessness in South Hampton Roads and has been recognized by HUD as the first regional studio apartments for homeless single adults in the nation. Gosnold Apartments involved the adaptive reuse of an RC Cola bottling warehouse at a total cost of \$5,600,000. All sixty units have Section 8 Moderate Rehabilitation Vouchers administered through the Norfolk Redevelopment and Housing Authority (NRHA). Gosnold Apartments received the Governor's Housing Achievement Award in November 2007. Gosnold Apartments is a model permanent supportive housing development because it leveraged funding from three localities with federal and state funds to provide a regional solution to homelessness.

VSH opened Cloverleaf Apartments in Virginia Beach in October 2008. Cloverleaf Apartments involved the adaptive reuse of an old skating rink into sixty supportive studio apartments for homeless single adults from the cities of Virginia Beach, Norfolk, Portsmouth, and Chesapeake. Each City provided public support and funding for Cloverleaf Apartments. VSH obtained EarthCraft Virginia certification for green building and energy resource efficiency. The total development cost for Cloverleaf Apartments was approximately \$6,900,000. All sixty units have Project Based Vouchers administered through the Virginia Beach Department of Housing and Neighborhood Preservation (VBDHNP).

In November 2010, VSH opened South Bay Apartments in Portsmouth. South Bay Apartments involved the new construction of sixty supportive studio apartments that are EarthCraft Virginia certified for green building and energy resource efficiency. This was the third regional

collaboration to end homelessness in the Hampton Roads area and includes housing units for homeless individuals from Portsmouth, Norfolk, Virginia Beach, and Chesapeake; each city provided public support and funding for the development of South Bay Apartments. All sixty units have Project Based Vouchers administered through NRHA, VBDHNP, Portsmouth Redevelopment and Housing Authority (PRHA), and Chesapeake Redevelopment and Housing Authority (CRHA). Total development costs were approximately \$6,900,000. South Bay Apartments was the highest ranking application in the 2009 non-profit pool for tax credit applications. EarthCraft Virginia recognized South Bay Apartments with the 2011 Multi-Family Development of the Year award for energy and resource efficiency.

The Crossings at Fourth and Preston, sixty supportive studio apartments for homeless and low-income adults from the Charlottesville area, opened in March 2012. The Crossings at Fourth and Preston was the first VSH property to utilize an integrated model with thirty units for otherwise homeless individuals and thirty units for individuals making 50% or less of the Area Median Income. The building is EarthCraft Virginia certified for green building and energy resource efficiency and is the first VSH property to incorporate a solar thermal hot water system. EarthCraft Virginia awarded The Crossings at Fourth and Preston with the 2012 Multi-Family Development of the Year award. This was the first regional collaboration in the Charlottesville region and includes housing units for homeless single adults from the City of Charlottesville and Albemarle County; each locality provided public support and Project Based Vouchers for The Crossings at Fourth and Preston. Total development costs were approximately \$6,700,000.

Heron's Landing in Chesapeake was completed in December 2012. The development has sixty supportive studio apartments for homeless individuals from the cities of Chesapeake, Norfolk, Portsmouth, Suffolk, and Virginia Beach; each city provided public support and funding. All sixty units have Project Based Vouchers administered through NRHA, CRHA, VBDHNP, PRHA, and Suffolk Redevelopment and Housing Authority (SRHA). Heron's Landing is EarthCraft Virginia-certified for green building and energy resource efficiency. In 2013, Heron's Landing won the Hampton Roads Housing Consortium's Housing Partner Special Projects Award. This was the fourth regional collaboration to end homelessness in South Hampton Roads. Total development costs were approximately \$9,900,000.

Crescent Square, VSH's second permanent supportive housing development in Virginia Beach and the fifth regional collaboration in South Hampton Roads, opened in early 2016. Crescent Square involved the new construction of eighty supportive studio apartments for homeless and low-income individuals from the Hampton Roads region. Funding was provided by the cities of Virginia Beach and Norfolk. Forty-two units received Project Based Vouchers through NRHA and VBDHNP. The building is EarthCraft Virginia certified for energy and resource efficiency. In 2016, Crescent Square was awarded the Urban Land Institute Virginia's Vision Award for Innovative Deal of the Year. Total development costs were approximately \$12,400,000.

Church Street Station Studios opened in November 2017 and was VSH's sixth regional collaboration in South Hampton Roads. Church Street was the new construction of eighty supportive studio units in Norfolk for homeless and low-income adults from Norfolk and Virginia Beach. All eighty units received Project Based Vouchers administered through NRHA and VBDHNP. The building is EarthCraft Virginia certified. In 2020 Church Street Station Studios received Viridiant's Multifamily Project of the Year award for energy and resource efficiency. Total development costs were approximately \$13,900,000. Church Street Station Studios was the highest scoring application in the 2016 non-profit pool for tax credit applications.

Cool Lane Apartments is the adaptive re-use of a vacant assisted living facility in the City of Richmond and Henrico County. Cool Lane Apartments is eighty one-bedroom and six studio apartments for homeless and low-income individuals from the Richmond Region. Total development costs are estimated at approximately \$18,000,000 with funding provided by local, state, and federal private and public funds. Eighty-six units have received a commitment of Project Based Vouchers by RRHA. Cool Lane Apartments is expected to begin construction in 2021 with construction completion occurring in 2022. Cool Lane Apartments will contain additional office space for Virginia Supportive Housing staff as well as space for community partners.

New Clay House, Gosnold Apartments, Cloverleaf Apartments, South Bay Apartments, Studios at South Richmond, The Crossings at Fourth and Preston, Heron's Landing, Crescent Square, Church Street Station Studios, and Cool Lane Apartments utilized Low-Income Housing Tax Credit funding combined with state, local, and private funds.

In addition to supportive studios and one-bedroom apartments for homeless and low-income adults, VSH operates three community houses and two apartments for persons with disabilities; four apartment buildings for formerly homeless families; and several housing access programs.

Community Houses for Individuals with Disabilities

Stratford House – 2925 Cherokee Road, Richmond

Bliley Manor – 6119 Bliley Road, Richmond

Independence House – 1725 National Street, Richmond

Stratford House and Bliley Manor were developed and operated by Richmond Aids Ministry (RAM) but were closed by RAM in 1997 because they were unable to continue management. VSH underwent a HUD Transfer of Physical Assets in 1998 and now owns and manages both community houses. Currently, VSH operates Stratford House as a community house for eight persons with HIV/AIDS. Residents are low-income, have HIV/AIDS, and are recovering from substance abuse. In 2008, HUD approved VSH's request to change the use of Bliley Manor to a community house for individuals with traumatic brain injury (TBI). VSH manages the houses and provides support services.

Independence House, which opened in 2005, is also a community house for persons with TBI. It serves six individuals who have been referred from service agencies serving the TBI population in Richmond. VSH provides support services to the residents with a case manager. A resident manager lives at the community house.

Stratford House, Independence House, and Bliley Manor received funding from the HUD Section 811 program in addition to state, local, and private sources.

Apartments for Individuals with Disabilities

James River Apartments – 1517 Jefferson Davis Highway, Richmond and
1301 Blakemore Road, Richmond

Veterans Apartments – 4909 Chamberlayne Avenue, Richmond

HUD awarded VSH a Section 811 grant worth \$1.2 million to build James River Apartments, fourteen affordable, accessible apartments with support services for persons with disabilities. James River Apartments includes six apartments on Blakemore Road and eight on Jefferson Davis Highway in Richmond. Construction on James River Apartments began in March 2007 and was completed in April 2008. VSH provides case management services to the residents of James River Apartments as appropriate and as needed.

Veterans Apartments on Chamberlayne Avenue in Richmond houses four formerly homeless veterans with disabilities. Renovations for Veterans Apartments were completed in the spring of 2008. Total project funding was \$867,000. Funding came from the McKinney Supportive Housing Program with matching funds from the State's HOME program, the City of Richmond HOME program, and private foundations. VSH provides case management services in collaboration with the Veterans Administration.

FIND, INC.

Apartments for Homeless Families and Families with Disabilities

FIND 2 Third Avenue Apartments – 2203-2205 Third Avenue, Richmond

FIND 3 Chestnut Hill Apartments – 2504-2506 Third Avenue, Richmond

dFIND Cary Street Apartments – 2023 & 2123 West Cary Street, Richmond

In the spring of 2000, VSH began the Families in Neighborhoods Developing (FIND) program to address the needs of families who are prepared to move out of shelters and transitional housing into apartments in the community. The apartments are all affordable with rents well below

market rates to serve very low, low, and moderate income persons. VSH provides case management services to help the families maintain their housing.

Third Avenue Apartments opened in 2002 and Chestnut Hill Apartments opened in 2004. Each property has four, two- or three-bedroom apartments. Chestnut Hill Apartments was partially funded by state and federal historic tax credits. Total development costs were \$408,000 (3rd Avenue) and \$430,000 (Chestnut Hill Apartments). VSH has received a Governor's Housing Achievement Award for its supportive apartments for previously homeless families.

Cary Street Apartments opened in December 2004 along West Cary Street in Richmond. Four, three-bedroom apartments have been historically renovated for families with a disabled family member. Cary Street Apartments received state and federal historic tax credits, a HUD McKinney Supportive Housing Program grant, matching state HOME funds, and grants from private foundations.

Experienced Rental Management Partner

VSH has been actively managing supportive housing properties since the opening of New Clay House in 1992 and became a VHDA Certified Management Agent without qualification in 2010. VSH currently owns and manages 652 housing units as well as manages 30 units of permanent supportive housing at the City of Virginia Beach Housing Resource Center (HRC). The VSH management portfolio includes small multifamily buildings, community houses, and larger supportive studio apartment buildings. VSH property management staff members are experienced with property standards and reporting requirements for various U.S. Department of Housing and Urban Development (HUD), Department of Housing and Community Development (DHCD), Virginia Housing Development Authority (VHDA), and local funding programs such as Low-Income Housing Tax Credits, Historic Tax Credits, HOME and CDBG programs, HUD Section 811, and HUD Supportive Housing. VSH property management staff are also experienced in working with multiple Public Housing Authorities (PHAs) on the administration of Project and Tenant Based Rental Assistance. All housing units managed by VSH have passed federal, state, and local reviews and inspections, demonstrating the application of consistent property management standards at all VSH properties.

Proven, Permanent Solution to Homelessness

VSH has a proven track record to ending homelessness – 96% of VSH residents do not return to a state of homelessness. VSH tracks outcome measures related to the housing stability, income, and health of each client.

Supportive services provide case management, housing stabilization, independent living skills, community engagement and social support, transition planning, and employment, education,

and vocational support. VSH supportive services staff assist tenants with accessing mainstream community services and resources, monitor the quality and effectiveness of those services, and ensure coordination of care to promote achievement of each individual's personal goals including maintaining housing, securing work or entitlement income, and improving health and mental health conditions. VSH staff engage residents who seek services in developing a housing stabilization/care plan that outlines their individual goals and strategies needed to achieve their goals. Staff also work with our residents to ensure a strong sense of social connectedness in the apartment community as well as with the larger community in which they are located.

Support service staff engage residents in activities that promote a consistent and safe housing environment including offering mediation services with property management staff when required to minimize lease violations and delinquency; providing move-in support and orientation to new residents; and coordinating with community partners and donors to provide essential household items.

Supportive services staff provide individual and group counseling to help individuals resolve life issues, promote recovery and community integration, and manage mental health symptoms. Skills training is provided to improve individuals' abilities to budget and manage finances, manage medication, secure and maintain employment, and develop positive social supports. Crisis prevention, intervention, and stabilization is provided to individuals experiencing acute distress. Other activities of daily living include navigating public transportation, nutrition and diet, personal hygiene, household cleaning and maintenance, medication management, and interpersonal skills.

Supportive services staff help coordinate transition to other subsidized housing with less intensive services when appropriate. VSH ensures the resident is connected with community providers as their unique needs require and provide a year of follow-up services so that they can continue to be stably housed. In addition, VSH coordinates external placements for those who can no longer live independently and need a higher level of care, such as an assisted living or nursing facility.

Finally, VSH is licensed by the Virginia Department of Behavioral Health and Developmental Services to provide Mental Health Support Services – intensive support to individuals with serious mental illness to assist them with managing symptoms, improving community living skills, taking medication as prescribed, managing finances, and addressing co-occurring physical health and substance abuse disorders. VSH is also CORES Certified. The Certified Organization for Resident Engagement & Services (CORES) Certification recognizes organizations that have developed a robust commitment, capacity, and competency in providing resident services coordination in affordable rental homes.

Housing Access Programs

Shelter Plus Care (S+C) is VSH's oldest scattered site program, serving individuals and families with a documented disability as well as documented homelessness. VSH took over management of the S+C Program from the Richmond Behavioral Health Authority (RBHA) and the Stable Housing Access Program from HOME. Program participants receive support services from community providers, and VSH provides the housing subsidy and housing related services. The program is staffed at VSH by a Housing Specialist. Participants are referred through the coordinated entry process, which consists of a group of providers that operates through the Greater Richmond Continuum of Care and serves as the centralized access point for those who are experiencing homelessness. This program was the first evidence-based housing first program in the state for homeless persons with a severe and persistent mental illness and has proven to be a successful collaboration between the nonprofit and government sector.

Virginia Supportive Housing's Housing First programs provide scattered-site rental assistance and supportive services to chronically homeless single adults with disabilities in Hampton Roads. Potential participants are referred through their respective Continuum of Care when there is a vacancy. After the referral is made, the Supportive Services Specialist and the referring agency work together to gather the necessary client homelessness history and disability documentation to determine eligibility. Once the client is deemed eligible for the program, the Supportive Services Specialist and Housing Specialist work with the individual and community landlords to locating suitable housing.

The Housing First program has six Supportive Services Specialists, one Housing Specialist, and one Team Leader. The Supportive Services Specialists provide a plethora of services to their clients in order to assist clients with maintaining their housing. These services include, but are not limited to: collaboration with landlords, healthcare coordination, vocational services, substance abuse services, and probation/parole when needed.

Managing Developments with Multiple, Complex Financing Sources

VSH has demonstrated an ability to develop projects with multiple layers of complex financing, often leveraging federal, state, and local public and private funds. VSH's ten supportive studio apartment buildings for homeless and low-income single adults have involved financing from a large variety of sources including, but not limited to: the syndication of Low-Income Housing Tax Credits, Energy Tax Credits, and Federal and State Historic Tax Credits; National foundation and Local community foundation grants; State and Local HOME, CDBG and general funds; Federal Home Loan Bank AHP Funds; National, State, and Local Housing Trust Fund funds; and loans from the Virginia Department of Housing and Community Development (DHCD) and the Virginia Housing Development Authority (VHDA). VSH's Low-Income Housing Tax Credit application for South Bay Apartments was the highest ranked application in the 2009 nonprofit pool, Church

Street Station Studios was the highest scoring application in the 2016 nonprofit application pool, and Cool Lane Apartments was the highest ranked and awarded application in the 2019 accessible supportive housing pool. Additionally, VSH has successfully secured Project Based Vouchers for ten developments and maintains close relationships with eight administering agencies and/or housing authorities.

All small multifamily apartment properties VSH has developed have required multiple funding sources. Targeted to homeless families with incomes at or below 30% area median income and with no housing authority rental subsidies, VSH has pursued financing structures that limit debt service. VSH has also developed housing for persons with disabilities through the HUD Section 811 program, which provides a capital advance for 60-65% of the construction costs and rental subsidies. VSH has worked with DHCD, localities, and private foundations to secure the remaining funds needed for construction. The HUD Section 811 program requires that all additional funding be grant funds (loans are not permitted). With innovative financing strategies, VSH had worked with the HUD Section 811 program to build both a community house and accessible apartments.

Ownership Entity Sustainable for Affordability Period

VSH currently owns and manages 652 housing units. Since VSH opened its first property (New Clay House) in 1992, the agency has successfully operated each building. No VSH properties have been closed or unable to continue operation. VSH has remained the owner and property manager throughout the affordability period for each property it has developed.

A volunteer Board of Directors working through committees assists VSH staff in the development and operational oversight of the agency. The Board hires the executive director and is responsible for establishing policies regarding programs, fiscal matters, immediate and long-range planning, insurance reporting, and fundraising. Board committees include Site Development and Asset Management, Governance, Program and Evaluation, Mission Advancement, and Executive. The VSH Board includes professionals with experience in housing development, property management, law, and social services. The Richmond firm of Dooley and Vicars performs annual independent audits. Agency property management policies, procedures, and property financials are reviewed by the Site Development and Asset Management Committee of the Board of Directors.

E

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

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") dated as of the 13th day of March, 2019 (the "Effective Date"), is made by and between the **CITY OF RICHMOND**, a municipal corporation of the Commonwealth of Virginia, having an address of 900 East Broad Street, Richmond, Virginia 23219 ("Seller"), and **VIRGINIA SUPPORTIVE HOUSING**, a Virginia nonstock corporation, having an office at 8002 Discovery Drive, Suite 201, Richmond, Virginia 23229, and its successors and assigns ("Purchaser").

RECITALS:

A. Seller desires to convey to Purchaser and Purchaser agrees to accept certain real property, a portion of which is located in the City of Richmond, Virginia and a portion of which is located in the County of Henrico, Virginia, with certain related personal and intangible property, all as more particularly described in Section 1.1 below;

B. Seller and Purchaser, intending to be bound by this Agreement, desire to set forth herein the terms, conditions and agreements under and by which Seller shall convey to Purchaser and Purchaser shall accept the foregoing real, personal and intangible property.

AGREEMENT:

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00), the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. THE PROPERTY.

1.1 Description. Subject to the terms and conditions of this Agreement, and for the consideration set forth herein, Seller hereby agrees to sell, assign and convey to Purchaser, and Purchaser hereby agrees to accept from Seller, all of Seller's right, title and interest in and to the following (collectively, the "Property"):

1.1.1 That certain parcel or those certain parcels of land, a portion of which is located in the City of Richmond, Virginia, known as 2011 Mechanicsville Turnpike and identified as City of Richmond, Virginia Tax Parcel Number E0120146002, and a portion of which is located in the County of Henrico, Virginia, known as 1900 Cool Lane and identified as County of Henrico, Virginia Tax Parcel Identification Number 799-726-0294 both parcels collectively consisting of approximately 5.72 acres, all as more specifically described on Exhibit A attached hereto (collectively, the "Land");

1.1.2 All buildings, improvements, fixtures, structures, parking facilities, electrical systems, plumbing systems, heating systems, and air conditioning systems located on the Land, or any portion thereof (collectively, the "Improvements");

1.1.3 All easements, hereditaments and appurtenances, if any, pertaining or affecting the Land (collectively, the "Easements");

1.2 Agreement to Convey. Seller agrees to convey, and Purchaser agrees to accept, on the Date of Closing (as defined in Section 2.3 below): (a) good and marketable title to the Land and the Improvements by way of the Deed (as defined in Section 8.1 below); and (b) any consents, authorizations, zoning entitlements, certificates of occupancy, permits and approvals from any applicable governmental or quasi-governmental agency, department, board or other entity with respect to or attributable to the Property, which are assignable and remain valid or in effect as of Closing (the "Approvals"), by way of the Assignment (as defined in Section 8.1 below), to be executed and delivered in respect to the Approvals.

2. PURCHASE PRICE AND CLOSING.

2.1 Purchase Price. The purchase price to be paid by the Purchaser for the Property at Closing (the "Purchase Price") shall be ZERO DOLLARS (\$0.00), subject to adjustments contained herein.

2.2 Payment. Purchaser shall pay to Seller the Purchase Price, subject to adjustment for prorations and credits as provided in Section 7 below, on or before 5:00 p.m. Eastern Time, on the Date of Closing, by Purchaser causing the Title Company to deliver a wire of immediately available funds to such bank account(s) as Seller may designate.

2.3 Closing. Unless this Agreement is sooner terminated as provided in this Agreement, delivery of the Deed and the closing hereunder (the "Closing") shall take place pursuant to an escrow closing on a date requested by Purchaser in a written notice to Seller (the "Closing Notice"), which date shall be at least fifteen (15) business days from the date of the Closing Notice (the "Date of Closing"). Purchaser and Seller agree that Closing pursuant to this Agreement will occur concurrently with the closing of a construction loan for the Construction and Rehabilitation (as hereinafter defined). The Closing shall occur on the Date of Closing and shall be conducted by mail or overnight courier by the Title Company (as hereinafter defined), or at such other time and place as may be agreed to in writing by Seller and Purchaser. Notwithstanding the foregoing, Purchaser and Seller shall endeavor to conduct Closing by depositing (by overnight or local courier) into escrow with the Title Company all closing documents and other items in connection therewith no later than the first business day immediately prior to the Date of Closing. Purchaser and Seller agree that Closing shall not take place prior to July 15, 2019 or later than December 31, 2019 (the "Closing Period"), as such Closing Period may be extended by the parties in a written amendment to this Agreement. Notwithstanding the foregoing, the Closing may take place within a reasonable time after the Closing Period in the event Seller requires additional time to complete its deliveries as described in Section 8 of this Agreement. In the event that any of the conditions set forth in Section 6 of this Agreement have not been satisfied or performed (or waived with respect to condition (i) of Section 6) on or as of December 31, 2019, Seller shall not be obligated to take part in the Closing, and this Agreement will terminate upon notice duly given by Seller to Purchaser.

3. INSPECTIONS AND APPROVALS.

3.1 Due Diligence Period; Due Diligence Approval Date. Purchaser shall have a period of time (the "Due Diligence Period"), commencing on the Effective Date, and expiring at 5:00 p.m., EST, on the date ninety (90) days after the Effective Date (the "Due Diligence Approval Date"), in which to conduct the inspections and studies described in this Section 3.

3.2 Access to the Property and Indemnification by Purchaser. During the Due Diligence Period (and thereafter until the Date of Closing to the extent this Agreement has not been terminated and continues to remain in effect), Seller shall permit Purchaser and Purchaser's agents and representatives access to the Property between 8:00 a.m., EST and 5:00 p.m., EST during Seller's work days for purposes of conducting, at Purchaser's sole cost and expense, such physical and environmental inspections of the Property as Purchaser shall deem necessary or appropriate. Purchaser shall notify Seller at the address set forth in Section 11 of this Agreement at least forty-eight (48) hours in advance of its or its agents' or representatives' entry onto the Property, which notification shall indicate all activities to be performed and which Purchaser may give by email. In the event this Agreement is terminated pursuant to Section 3.5 below, Purchaser agrees, at its own expense, to promptly restore the Property to substantially the same condition it was in prior to such tests or inspections, reasonable wear and tear excepted, to the extent that any inspection or test performed by Purchaser requires or results in any damage to or alteration of the condition of the Property. Purchaser shall indemnify and hold Seller harmless from any loss, injury, liability, damage or expense, including reasonable attorneys' fees and costs, incurred by reason of Purchaser's (or its agents' and/or representatives') entering upon the Property for the aforesaid purposes, provided, however, that Purchaser shall not be required to indemnify Seller if, and to the extent that, any such loss, injury, liability, damage or expense was caused by the gross negligence or misconduct of Seller, its employees or agents. The indemnity obligation described in this paragraph will survive termination of this Agreement. Nothing in this paragraph 3.2 may be construed as a waiver of the sovereign immunity granted to Seller by the Commonwealth of Virginia Constitution, statutes, and applicable case law.

3.3 Purchaser's Insurance. As a condition precedent to Purchaser's and its third-party agents' and representatives' access to the Property during the Due Diligence Period or at any time prior to Closing, Purchaser shall carry and maintain, and shall cause its third-party agents and representatives to carry and maintain, the following insurance from the Effective Date until either Closing or termination of this Agreement, which insurance shall be primary to any insurance coverage Seller may possess:

- (i) To the extent required by the Code of Virginia and other applicable Virginia laws and regulations, Workers' Compensation and Employers' Liability Insurance in amounts not less than One Hundred Thousand Dollars (\$100,000) or, if greater, in amounts not less than the minimum required by the Virginia Code and other applicable law, rules, and regulations;
- (ii) Commercial General Liability occurrence-based and in an amount not less than One Million Dollars (\$1,000,000) per occurrence and in the aggregate.
- (iii) Business Automobile Liability insurance, to include Auto Physical Damage coverage, in the amount of One Million Dollars (\$1,000,000) combined single limit covering all owned, non-owned borrowed, leased or rented motor vehicles operated by Purchaser or its third-party agents or representatives. In addition, all motorized equipment, both licensed and not licensed for road use, operated or used by Purchaser or its third-party agents or representatives within the Property shall be insured under either a standard Automobile Liability policy or a Comprehensive General Liability policy.
- (iv) Umbrella Liability Insurance maintained above the primary Commercial General Liability, Business Automobile Liability, and Employers' Liability policies required herein. The limit of such Umbrella Liability Insurance shall not be less than two million dollars (\$2,000,000) each occurrence and aggregate.

All such insurance shall be in a form reasonably acceptable to Seller, and Purchaser shall cause its third-party agents and representatives to name Purchaser and Seller an additional insured in the Commercial General Liability and Business Automobile Liability policies, which shall be reflected on any certificates of insurance therefor. The following terms shall be applicable to all policies of insurance noted above:

- (i) The insurance shall be issued by companies admitted within the Commonwealth of Virginia, with Best's Key Rating of at least A: VI.
- (ii) Upon request, Purchaser shall provide Seller one or more certificates of liability insurance demonstrating that Purchaser and its third-party agents and representatives are maintaining the insurance requirements of this paragraph 3.3.

3.4 Inspection of Documents. Within fifteen (15) business days after request from Purchaser, Seller shall deliver or cause to be delivered to Purchaser, to the extent Seller has in its possession or can obtain without expense, and to the extent such may exist, copies of existing title policies, surveys, studies, environmental reports and inventories, easement documents, plans, proffers, permits, governmental reports, warranties and guaranties concerning the Property. Purchaser shall keep all information and documents received under this Section 3.3 confidential (except for lenders, investors, professional advisors, and other similar parties with a need to know, or as required by law), and shall use and inspect the same only for its good faith, due diligence review of the Property.

3.5 Title and Survey. Title to the Property shall be good and marketable and shall be conveyed in fee simple, free and clear of all liens and encumbrances except for those matters approved by Purchaser ("Permitted Exceptions"). The Property's title shall be insurable by a nationally recognized ALTA title insurance company of Purchaser's choice, which is licensed in the Commonwealth of Virginia (the "Title Company"). Purchaser shall obtain a standard form commitment for title insurance ("Title Commitment") for the Property, together with copies of all recorded instruments identified as exceptions therein (together with the Title Commitment, referred to herein as the "Title Documents"). Purchaser shall be responsible for all costs related to the Title Policy, including, without

limitation, costs related to the title search and any updates, preparation of the Title Commitment and all premiums for the Title Policy including endorsements thereto. Purchaser may, at its option, obtain a survey of the Property (the "Survey"). Notwithstanding anything contained herein to the contrary, in all events Seller shall be obligated to discharge at Closing, the lien and effect of any deed of trust, mortgage or other monetary lien then encumbering or affecting the Property, except as otherwise agreed by Purchaser. Furthermore, if the legal description by which the Seller took title to the Property (the "Record Legal Description") is different than the legal description of the Property shown on the Survey (the "Survey Legal Description"), and Seller so requests, the description of the Property in the Deed by which Seller conveys the Property with special warranty shall be the Record Legal Description and Seller shall also quitclaim to Purchaser the Survey Legal Description.

3.6 Purchaser's Rights to Terminate. Notwithstanding anything contained herein to the contrary, Purchaser shall have the absolute right to terminate this Agreement on or before 5:00 p.m., EST, on the Due Diligence Approval Date, for any or no reason whatsoever, by providing written notice to Seller of Purchaser's intent to terminate.

4. SELLER'S OBLIGATIONS PRIOR TO CLOSING. Until Closing, Seller and/or Seller's agents or representatives shall:

4.1 Notices. Provide to Purchaser, within a reasonable time upon the receipt thereof, any and all notices in any manner relating to the Property received by Seller from any insurance company or any governmental or quasi-governmental instrumentality having jurisdiction over the Property.

4.2 Construction Activities. Other than in the ordinary course of maintenance of the Improvements, if any, or in response to Seller's reasonable exercise of its police power or Seller's efforts to comply with applicable laws, orders, rules and regulations, not engage in or authorize any grading, excavation or construction upon the Property or cause any material addition, alteration or removal of any improvements, fixtures or equipment forming a part of the Property (collectively, "Construction"), except as approved by Purchaser. The costs of the same, if any, shall be paid in full by Sellers at the Closing.

4.3 Liens and Encumbrances. Not impose any restrictive covenants, liens or encumbrances on the Property or execute or file any subdivision plat affecting the Property nor permit such imposition, execution or filings by any other party, except as requested by or approved by Purchaser.

4.4 Marketing of the Property. Not, without the prior written consent of Purchaser, solicit, negotiate, or accept offers for the purchase of the Property, or any part thereof, from any other party.

5. BROKERS. Seller and Purchaser each represents to the other that it has had no dealings, negotiations, or consultations with any broker, representative, employee, agent or other intermediary in connection with the sale of the Property.

6. PURCHASER'S CONDITIONS PRECEDENT TO CLOSING. Purchaser's obligation to consummate the purchase of the Property on the Date of Closing shall be subject to the satisfaction or performance of the following terms and conditions: (i) Seller shall have materially complied with all covenants and provisions required by this Agreement to be complied with by Seller before, on, or as of the Date of Closing (which condition may be waived by Purchaser, in whole or in part, unless otherwise stated herein); (ii) Purchaser shall not have terminated this Agreement pursuant to an express right to terminate set forth in this Agreement; (iii) Purchaser or the Affiliate (as hereinafter defined) shall have received a reservation and an allocation of competitive nine percent (9%) Low Income Housing Tax Credits (the "Tax Credits") for construction on and rehabilitation of the Property during the 2019 tax credit allocation cycle administered by Virginia Housing Development Authority ("VHDA"), in an amount deemed sufficient by Purchaser to provide funding for the completion of a development to include those elements described on page 3 (the "Construction and Rehabilitation") of the unsolicited offer letter submitted to Seller by Purchaser on October 16, 2018, a copy of which is attached hereto as Exhibit C (the "Offer Letter"), and (iv) Purchaser or the Affiliate shall have received a firm commitment(s) of funds for construction and permanent financing for the Construction and Rehabilitation in an amount deemed sufficient by Purchaser to complete the Construction and Rehabilitation. Subject to the terms of paragraph 2.3 above, if any of the conditions set forth in this Section 6 have

not been satisfied or performed (or waived with respect to condition (i) of this Section 6) on or as of December 31, 2019, Purchaser shall have the right to terminate this Agreement by giving written notice to Seller on or before the Date of Closing, in which event all rights and obligations of the parties under this Agreement shall expire.

7. CLOSING COSTS AND PRORATIONS.

7.1 Closing Costs. Seller shall pay its attorneys' fees in reference to this transaction and any Grantor's tax in connection with the recordation of the Deed, except to the extent exempt by law. Purchaser shall pay all other closing costs associated with the transaction, all other recordation costs associated with the Deed, all costs related to any loan obtained by Purchaser for this transaction, all costs associated with the title search and any updates, preparation of the Title Commitment, and all premiums for the Title Policy, including extended coverage and any endorsements thereto, all costs of the Survey and any investigations and inspections incurred or performed by or on behalf of Purchaser, the reasonable settlement fees and charges of the Title Company due in connection with the closing of this transaction and Purchaser's own attorneys' fees. Notwithstanding anything in this Section 7.1 to the contrary, Seller shall be solely responsible for paying all accounts payable and other expenses of Seller or the Property accruing prior to the Date of Closing.

7.2 Prorations. Any normally prorated revenues and expenses for the Property billed or paid as of the Date of Closing shall be prorated as of 12:01 a.m., EST, on the Date of Closing, and shall be adjusted against all amounts due at Closing, provided that within thirty (30) days after Closing, Purchaser and Seller will make a further adjustment for such revenues, expenses, taxes or charges which may have accrued or been incurred prior to the Date of Closing, but not received or paid at that date.

7.3 Purpose and Intent. Except as expressly provided herein, the purpose and intent as to the provisions of prorations and apportionments set forth in this Section 7 and elsewhere in this Agreement is that Seller shall bear all expenses of ownership and operation of the Property and shall receive all income therefrom accruing through midnight of the day preceding the Closing and Purchaser shall bear all such expenses and receive all such income accruing thereafter.

The provisions of this Section 7 shall survive Closing and recordation of the Deed.

8. CLOSING AND ESCROW.

8.1 Seller's Deliveries. Seller shall deliver possession of the Property to Purchaser at the time of Closing. On or before the Date of Closing, Seller shall deliver to the Title Company, as escrow agent, or Purchaser, as appropriate, any amounts set forth on the Settlement Statement (as hereinafter defined), as required by this Agreement, if any, and each of the following items, executed as appropriate by Seller, to be held in escrow pending Closing:

(a) a Special Warranty Deed, in a form insurable by the Title Company, duly executed by Seller and conveying to Purchaser fee simple title to the Property, subject to (i) the Permitted Exceptions and (ii) a reversionary interest of Seller in the Property, expressed by a reverter clause in the Deed, by which the Property shall revert to Seller in the event the Construction and Rehabilitation have not been completed within two (2) years following the Date of Closing, provided that the CAO, as hereinafter defined, shall record a certificate in the land records affirming the termination of such reversionary interest upon a finding, within two (2) years following the Date of Closing, of substantial completion of the Construction and Rehabilitation by the VHDA (the "Deed");

(b) an Owner's Affidavit as to Mechanic's Liens and Possession as reasonably required by the Title Company;

(c) a settlement statement setting forth in reasonable detail the financial transaction contemplated by this Agreement (the "Settlement Statement");

(d) reasonable documentation evidencing the authority of the person executing any documents at Closing on behalf of Seller, to enter into the transactions contemplated by this Agreement, as may be reasonably required by the Title Company in order for Title Company to issue to Purchaser the Title Policy;

(e) if applicable, a bill of sale and/or assignment agreement, in a form reasonably acceptable to both parties, conveying to Purchaser the Improvements and Approvals (the "Assignment");

(f) such other documents as may be reasonably required by the Title Company to consummate the sale of the Property, in forms reasonably acceptable to both parties.

8.2 Purchaser's Deliveries. On or before the Date of Closing, Purchaser shall deliver to the Title Company, as escrow agent, any amounts set forth on the Settlement Statement, as required by this Agreement, and each of the following items, executed as appropriate by Purchaser, to be held in escrow pending written confirmation by Purchaser that all conditions to the obligation of Purchaser to close on the conveyance of the Property have been satisfied:

(a) reasonable documentation evidencing Purchaser's authority, and the authority of the person executing any documents at Closing on behalf of Purchaser, to enter into the transactions contemplated by this Agreement, as may be reasonably required by the Title Company; and

(b) the Settlement Statement.

8.3 Possession. Purchaser shall be entitled to possession of the Property at the conclusion of the Closing.

9. DAMAGE, DESTRUCTION AND CONDEMNATION.

9.1 Casualty. Except as provided herein, Seller assumes all risk of loss or damage to the Property by fire or other casualty until the Date of Closing. If such loss or damage materially and adversely affects Purchaser's intended use and enjoyment of the Property as of the Date of Closing, Purchaser shall have the option, in its sole discretion, either to (i) terminate this Agreement by giving Seller written notice in which event the parties hereto shall have no further obligations or liabilities to one another hereunder except as expressly provided for hereunder; or (ii) proceed to Closing and accept from Seller an assignment of all insurance payable as a result of such damage or casualty. If at any time on or prior to the Date of Closing any portion of the Property is destroyed or damaged as a result of fire or any other cause whatsoever, Seller shall promptly give written notice thereof to Purchaser.

9.2 Condemnation. In the event, at any time on or prior to the Date of Closing, any action or proceeding is filed, under which the Property, or any portion thereof, may be taken pursuant to any law, ordinance or regulation or by condemnation or the right of eminent domain, Seller shall promptly give written notice thereof (which notice shall describe the type of action being taken against the Property, and which portions of the Property will be affected thereby) to Purchaser. Purchaser shall have the right to terminate this Agreement by written notice to Seller within twenty (20) days following the date upon which Purchaser receives Seller's written notice of such action or proceeding. If Purchaser does not elect to so terminate this Agreement within said twenty (20) day period, this Agreement shall remain in full force and effect and the parties shall proceed to Closing and all condemnation proceeds will be assigned to Purchaser.

10. DEFAULT AND REMEDIES.

10.1 Purchaser Default. If, after the Due Diligence Approval Date, Purchaser shall fail or refuse to purchase the Property in violation of Purchaser's obligations hereunder for any reason other than a default by Seller under this Agreement or a failure of condition precedent to Closing pursuant to Section 6 above, and provided that Seller is then ready, willing and able to proceed to Closing, has performed all of its obligations hereunder and all conditions precedent to Closing hereunder have been satisfied, Seller shall have the right to (i) terminate this Agreement or (ii) institute any action available to Seller at law or in equity to recover damages incurred by Seller as a result of such breach or misrepresentation by Purchaser. Notwithstanding the foregoing, nothing in this Section 10.1 shall be

deemed to limit Seller's remedies for any other violation of Purchaser's obligations hereunder, including without limitation Purchaser's obligation to indemnify Seller under Section 3.2 above, or to return certain documentation to Seller under Section 3.3 above.

10.2 Seller Default. In the event Seller shall: (a) fail to sell, transfer and assign the Property to Purchaser for any reason other than a default by Purchaser under this Agreement, and/or (b) fail to perform any other obligation of Seller hereunder other than a default by Purchaser under this Agreement, Purchaser shall be entitled to: (i) seek specific performance of the Seller's obligations under this Agreement, (ii) terminate this Agreement, or (iii) institute any action available to Purchaser at law or in equity to recover damages, including reasonable attorneys' fees, incurred by Purchaser as a result of such breach or misrepresentation by Seller. In all events, however, Purchaser's rights and remedies against Seller are subject to the provisions of Section 10.3 below.

10.3 Limitation of Remedy. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES ON ACCOUNT OF ANY MATTER RELATING TO OR ARISING OUT OF THIS AGREEMENT, OR ANY ACTION OR INACTION, EVEN IF THE OTHER PARTY, TO THE EXTENT APPLICABLE, IS ADVISED OF THOSE DAMAGES OR THE POSSIBILITY OF THOSE DAMAGES. THIS LIMITATION APPLIES WHETHER THE DAMAGES ARE SAID TO BE BASED UPON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY OR STRICT OR ANY OTHER KIND OF LIABILITY. DAMAGES WAIVED AND EXCLUDED BY THIS SECTION INCLUDE WITHOUT LIMITATION DAMAGES FOR LOSS OF PROFIT AND LOSS OF GOODWILL. NOTWITHSTANDING THE FOREGOING, THE LIMITATION CONTAINED IN THIS SECTION 10.3 SHALL NOT APPLY IF DAMAGES ARE BASED ON THE WILLFUL MISCONDUCT OF A PARTY TO THIS AGREEMENT.

11. NOTICES. Any notice required or permitted to be given hereunder must be in writing and shall be deemed to be given when (a) hand delivered, or (b) one (1) business day after pickup by an overnight delivery service, or (c) received by electronic mail (provided that an original is delivered under one of the two methods set forth in subsections (a) or (b) above on the next business day), in any case addressed to the parties at their respective addresses set forth below:

If to Seller: City of Richmond
Department of Economic and Community Development
1500 East Main Street, Suite 400
Richmond, Virginia 23219
Attention: Paul A. McClellan
Phone: (804) 646-3061
Email: paul.mcclellan@richmondgov.com

with a copy to: Neil Gibson, Esq.
Office of the City Attorney
900 East Broad Street, Suite 400
Richmond, Virginia 23219
Phone: (804) 646-1234
Email: neil.gibson@richmondgov.com

If to Purchaser: Virginia Supportive Housing
8002 Discovery Drive, Suite 201
Richmond, Virginia 23229
Phone: (804) 332-0500
Attention: Allison Bogdanovic
Email: abogdanovic@virginiassupportivehousing.org

with a copy to: Lauren Nowlin, Esq.

Williams Mullen
200 S. 10th Street, Suite 1600
P.O. Box 1320 (23218-1320)
Richmond, Virginia 23219
Phone: (804) 420-6585
Email: lnowlin@williamsmullen.com

or in each case to such other address as either party may from time to time designate by giving notice in writing pursuant to this Section 11 to the other party. Telephone numbers are for informational purposes only. Notices shall be deemed effective if given by counsel, acting in the capacity as counsel, to any party hereto, acting on behalf of such party. Effective notice will be deemed given only as provided above, except as otherwise expressly provided in this Agreement.

12. MISCELLANEOUS.

12.1 Entire Agreement. This Agreement, together with the Exhibits attached hereto, all of which are incorporated by reference, is the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by both parties.

12.2 Severability. If any provision of this Agreement or its application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

12.3 Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

12.4 Assignability. Neither Purchaser nor the Affiliate shall assign or transfer this Agreement or any of Purchaser's or the Affiliate's rights, obligations and interests under this Agreement without the prior written consent of Seller; provided, however, Purchaser may assign this Agreement to Cool Lane Apartments, LLC, a Virginia limited liability company, an affiliate of Purchaser (the "Affiliate"), pursuant to that certain Assignment Purchase and Sale Agreement dated as of the date hereof and executed by Purchaser, Seller and Affiliate, the form of which is attached hereto as Exhibit B.

12.5 Successors Bound. This Agreement shall be binding upon and inure to the benefit of Purchaser and Seller and their respective successors and permitted assigns.

12.6 No Public Disclosure. Prior to Closing, all press releases or other dissemination of information to the media or responses to requests from the media for information relating to the transaction contemplated herein shall be subject to the prior written consent of Purchaser and Seller, except to the extent required by the Virginia Freedom of Information Act as other applicable law.

12.7 Captions; Interpretation. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions. Whenever the context may require, words used in this Agreement shall include the corresponding feminine, masculine, or neuter forms, and the singular shall include the plural and vice versa. Unless the context expressly indicates otherwise, all references to "Section" are to sections of this Agreement.

12.8 No Partnership. Nothing contained in this Agreement shall be construed to create a partnership or joint venture between the parties or their successors in interest or permitted assigns.

12.9 Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument, and electronic signatures shall be deemed to be original signatures and of the same force and effect.

12.10 Recordation. Purchaser and Seller agree not to record this Agreement or any memorandum hereof.

12.11 Proper Execution. The submission by Purchaser to Seller of this Agreement in an unsigned form shall be deemed to be a submission solely for Seller's consideration and not for acceptance and execution. Such submission shall have no binding force and effect, shall not constitute an option or an offer, and shall not confer any rights upon Seller or impose any obligations upon Purchaser irrespective of any reliance thereon, change of position or partial performance. The submission by Purchaser to Seller of this Agreement for execution by Seller and the actual execution thereof by Seller and delivery to Purchaser by Seller shall similarly have no binding force and effect on Purchaser unless and until Purchaser shall have executed this Agreement and a counterpart hereof executed by Purchaser and Seller shall have been delivered to Seller.

12.12 Waiver. No waiver of any breach of any agreement or provision contained herein shall be deemed a waiver of any preceding or succeeding breach of any other agreement or provision herein contained. No extension of time for the performance of any obligation or act shall be deemed an extension of time for the performance of any other obligation or act.

12.13 Business Days. If any date herein set forth for the performance of any obligations by Seller or Purchaser or for the delivery of any instrument or notice as herein provided should fall on a Saturday, Sunday or Legal Holiday (as hereinafter defined), the compliance with such obligations or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday or Legal Holiday. As used herein, the term "Legal Holiday" shall mean any local or federal holiday on which post offices are closed in the City of Richmond, Virginia.

12.14 Survival. Notwithstanding any termination, cancellation or expiration of this Agreement or the Closing, provisions which are by their terms intended to survive and continue shall so survive and continue.

12.15 Subject to Appropriation. All payments and other performance by Seller under this Agreement are subject to annual appropriations by the City Council for the City of Richmond; consequently, this Agreement shall bind Seller only to the extent that the City Council appropriates sufficient funds for Seller to perform its obligations hereunder. 12.16 Signature Authority. Seller's Chief Administrative Officer (the "CAO") shall have the authority to execute this Agreement on behalf of Seller, and, except as otherwise provided herein, the CAO or her designee shall have the authority to provide any notices or authorizations contemplated under this Agreement on behalf of Seller.

12.17 Termination. In the event of termination of this Agreement, all rights and obligations of the parties under this Agreement shall expire, and neither party shall thereafter have any further rights, obligations or liability hereunder, except as provided in Section 12.14 above, and except that Purchaser shall return to Seller, within five (5) business days after such termination, all documents and information provided under Section 3.43 above.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Purchaser and Seller have executed this Purchase and Sale Agreement on the dates set forth below, effective as of the date first set forth above.

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

By: _____ (SEAL)
Name: _____
Title: _____

PURCHASER:

VIRGINIA SUPPORTIVE HOUSING,
a Virginia nonstock corporation

By: Allison Bogdanovic _____ (SEAL)
Name: Allison Bogdanovic
Title: CEO

IN WITNESS WHEREOF, Purchaser and Seller have executed this Purchase and Sale Agreement on the dates set forth below, effective as of the date first set forth above.

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

APPROVED AS TO FORM



Assistant City Attorney

By: *Selena Cuffe Glenn* (SEAL)
Name: *Selena Cuffe Glenn*
Title: *CAO*

PURCHASER:

VIRGINIA SUPPORTIVE HOUSING,
a Virginia nonstock corporation

By: _____ (SEAL)
Name: Allison Bogdanovic
Title: CEO

Exhibit A

LEGAL DESCRIPTION

ALL that certain piece or parcel of land, with the improvements thereon, lying and being partly in the City of Richmond, and partly in the County of Henrico, Virginia, containing 5.72 acres, described as follows:

COMMENCING at a stone on the North line of Cool Lane, 134 feet, more or less, East of its intersection with Mechanicsville Turnpike (U.S. Route 360), which point of beginning is located on the 1942 City of Richmond Corporation Line dividing the City of Richmond and the County of Henrico; thence from said point of beginning extending N. 26° 39' E. 150 feet to a point; thence extending N. 73° 26' W. 133.90 feet to a point on the East line of Mechanicsville Turnpike; thence extending N. 32° 12' 40" E. 56.60 feet along the East line of Mechanicsville Turnpike to a stone; thence continuing along the East line of said Mechanicsville Turnpike N. 30' 10" E. 72.18 feet to a stone; thence leaving Mechanicsville Turnpike and extending Eastwardly along the South Line of Ramp "C", Interstate Rt. No. 64, along the following courses and distances: S. 84° 38' 30" E. 131.45 feet to a stone; S. 60° 23' 30" E. 180.77 feet to a stone; S. 73° 17' 30" E. 128.45 feet to a stone; N. 77° 26' 30" E. 188.88 feet to a stone; N. 56° 52' 30" E. 241.72 feet to a stone; and N. 85' 34' 30" E. 98.75 feet to a rod; thence extending S. 26° 21' 30" W. 576.80 feet along the West line of Cool Lane Court Subdivision to a rod; thence extending N. 73° 26' W. 673.56 feet along the North line of Cool Lane to the point of beginning.

Further as shown on a plat of survey made by Chas. H. Fleet & Assocs., dated December 31, 1971 entitled 'PLAT OF PROPERTY SITUATED BETWEEN COOL LANE AND ROUTE NO. 64 AND EAST OF MECHANICSVILLE TURNPIKE RICHMOND & HENRICO CO., VA.', which plat is recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia in Deed Book 675-B, Page 321.

BEING the same real estate conveyed to the City of Richmond, Virginia, a municipal corporation of the Commonwealth of Virginia, by deed from Hospital Authority of Richmond, dated August 7, 2009, recorded September 25, 2009 in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument No. 090020776 and in the Clerk's Office, Circuit Court, Henrico County, Virginia in Deed Book 4692, Page 1736.

Exhibit B

FORM OF ASSIGNMENT

ASSIGNMENT OF PURCHASE AND SALE AGREEMENT

THIS ASSIGNMENT OF PURCHASE AND SALE AGREEMENT (this "Assignment") is made and entered into as of this 13th day of March, 2019, by and between **VIRGINIA SUPPORTIVE HOUSING**, a Virginia nonstock corporation ("Assignor"), **COOL LANE APARTMENTS, LLC**, a Virginia limited liability company ("Assignee") and the **CITY OF RICHMOND**, a municipal corporation of the Commonwealth of Virginia (the "Seller").

RECITALS

A. Assignor, as purchaser, and Seller, as seller (the "Seller"), have entered into that certain Purchase and Sale Agreement dated as of March 13, 2019 (the "Agreement"), which provides for the sale and conveyance to Assignor of certain real property and improvements thereon located in in the City of Richmond and the County of Henrico, Virginia (the "Property"), as more particularly described therein.

B. Pursuant to Section 12.4 of the Agreement, Assignor may assign or transfer the Agreement and all of Assignor's rights, obligations and interests under the Agreement, with Seller's written consent.

C. Assignor desires to assign to Assignee all of its right, title and interest in and to the Agreement and the Property, and Assignee desires to accept such assignment and to assume all of Assignor's obligations as to the purchase of the Property under the Agreement, upon the terms and conditions hereinafter set forth.

D. Seller has agreed to consent to the assignment of the Agreement from Assignor to Assignee under the terms hereof.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each party hereto, the parties hereto hereby agree as follows:

1. Assignor hereby assigns, transfers and conveys to Assignee, and Assignee hereby accepts from Assignor, all of Assignor's right, title, interest, duties, and obligations in, to and under the Agreement and all claims and rights that Assignor may have or to which Assignor may be entitled under or by virtue of the Agreement. It is the intention of the parties hereto that Assignee shall have and be vested with all of the same rights, benefits and obligations conferred upon and undertaken by Assignor in the Agreement as though, and to the same extent as if, Assignee had been named the purchaser of the Property in the Agreement.

2. Assignee hereby assumes and agrees to perform and observe all agreements, covenants and obligations to be performed and observed by Assignor under the Agreement. Assignee hereby agrees to hold

Assignor free and harmless from any and all losses, liabilities, obligations, debts and expenses arising under the Agreement and the transactions contemplated therein.

3. Seller hereby consents to the assignment of Assignor's right, title, interest duties and obligations in, to and under the Agreement as set forth in this Assignment.

4. Assignee's address for notices for purposes of Section 11 of the Agreement is set forth below:

If to Purchaser: Virginia Supportive Housing
8002 Discovery Drive, Suite 201
Richmond, Virginia 23229
Phone: (804) 332-0500
Attention: Allison Bogdanovic
Email: abogdanovic@virginiassupportivehousing.org

with a copy to: Lauren Nowlin, Esq.
Williams Mullen
200 S. 10th Street, Suite 1600
P.O. Box 1320 (23218-1320)
Richmond, Virginia 23219
Phone: (804) 420-6585
Email: lnowlin@williamsmullen.com

5. This Assignment represents the complete understanding between the parties hereto as to the subject matter hereof, and supersedes all prior negotiations, representations, promises, statements or agreements, either written or oral, between the parties hereto as to the same.

6. This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns hereunder.

7. This Assignment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument, and electronic and facsimile signatures shall be deemed to be original signatures and of the same force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each party hereto has executed this Assignment or caused it to be executed on its behalf by its duly authorized representatives, the day and year first above written.

ASSIGNOR:

VIRGINIA SUPPORTIVE HOUSING,
a Virginia nonstock corporation

By: Allison Bogdanovic (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

ASSIGNEE:

COOL LANE APARTMENTS, LLC,
a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc.,
a Virginia corporation,
its managing member

By: Allison Bogdanovic (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

By: _____ (SEAL)
Name: _____
Title: _____

IN WITNESS WHEREOF, each party hereto has executed this Assignment or caused it to be executed on its behalf by its duly authorized representatives, the day and year first above written.

ASSIGNOR:

VIRGINIA SUPPORTIVE HOUSING,
a Virginia nonstock corporation

By: _____(SEAL)
Name: Allison Bogdanovic
Title: Executive Director

ASSIGNEE:


COOL LANE APARTMENTS, LLC,
a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc.,
a Virginia corporation,
its managing member

By: _____(SEAL)
Name: Allison Bogdanovic
Title: Executive Director

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

APPROVED AS TO FORM


Assistant City Attorney

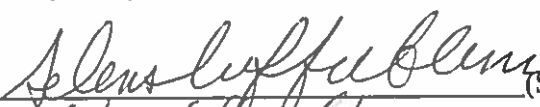
By:  (SEAL)
Name: Selena Wofford-Colson
Title: CAO

Exhibit C

OFFER LETTER

[See attached]



1988 CELEBRATING 30 YEARS 2018

PO Box 8585
Richmond, Virginia 23226
804 788 6825
804 788 6827 fax
www.virginiassupportivehousing.org

October 16, 2018

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James Ukrop

Ms. Selena Cuffee-Glenn
Chief Administrative Officer, City of Richmond
900 East Broad Street, Suite 201
Richmond, Virginia 23219

Re. Unsolicited Offer for City-Owned Real Estate
Seven Hills Health Care Center | 1900 Cool Lane

Dear Ms. Cuffee-Glenn:

On behalf of Virginia Supportive Housing (VSH), please receive this unsolicited offer made pursuant to Sec. 8-58 of the Code of the City concerning vacant property owned by the City of Richmond formerly known as the Seven Hills Health Care Center and located at 1900 Cool Lane in Henrico County (the "Property").

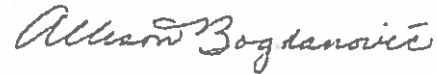
VSH desires to acquire and redevelop the Property into beautiful, high-quality, and much-needed affordable housing and permanent supportive housing for formerly homeless adults, as further described in the enclosed project summary. In connection with this proposal, we request that the City initiate (or permit VSH to initiate on the City's behalf) an application to the Board of Supervisors of Henrico County to amend the zoning district classification of the Property from A-1 agricultural to R-6 general residence. If approved, the rezoning would permit VSH's proposed use of the Property, which includes up to 105 multifamily dwelling units comprised of zero-, one- and two-bedrooms and VSH offices. This residential community will be specifically designed to provide affordable housing and permanent supportive housing for formerly homeless adults.

As you know, VSH has three decades of experience and success with the adaptive reuse and construction of high quality affordable housing with permanent supportive services for formerly homeless adults. We have developed, own, and currently operate 17 properties across the Commonwealth. This track record speaks to VSH's commitment to working with stakeholders in this community to ensure that this neighborhood's existing residents and our entire region will benefit from the proposed reinvestment. With the City's assistance in meeting the critical timeline detailed in the enclosed project summary, those benefits could become visible as soon as late 2020.

The proposed project has the strong support and endorsement of Henrico County's Manager, John Vithoukas, subject to approval of the necessary rezoning by the Henrico County Board of Supervisors. This regional partnership between the City, Henrico County, and VSH, as a non-profit leader in the development of high-quality, sustainable affordable housing will demonstrate the wisdom of this approximately \$30 million investment in a community where affordable housing, churches and schools, coffee shops and market-priced condominiums can co-exist and thrive.

We hope that the enclosed proposal describes a vision that the City will embrace and help us achieve. Should you have any questions or require any further information in connection with this request, please contact me via phone (804-332-0500) or email (abogdanovic@virginiassupportivehousing.org). We look forward to your response.

Sincerely,



Allison Bogdanovic
Executive Director, Virginia Supportive Housing

cc: Honorable Members, Richmond City Council (via email)
T. Preston Lloyd, Jr., Esq., Williams Mullen (via email)

COOL LANE APARTMENTS

Collaborating to create homes for our community's most vulnerable

CONTENTS

- Summary
- Proposed Use of the Property
- Financial Ability of VSH to Provide for Proposed Use
- Community Impact of Project
- Purchase Price Offered
- Photos of Similar Projects

SUMMARY

Virginia Supportive Housing (VSH) requests that the City of Richmond authorize the transfer of title to the Property, which has been vacant for ten years, to Virginia Supportive Housing for the purpose of redevelopment into approximately 105 high-quality zero-, one- and two-bedroom units as further outlined in this proposal. The City presently owns the land and improvements located on the Property, which is in Henrico County. The City's approval will enable VSH to redevelop the property into a new residential community that will provide much-needed affordable housing and permanent supportive housing for formerly homeless adults.

PROPOSED USE OF THE PROPERTY

Description – The proposed development will renovate a vacated assisted living facility on Cool Lane in Henrico, Virginia into approximately 105 zero-, one- and two-bedroom units. Upon its completion, the adaptive reuse of this facility will be a mixed-income community with units available for both formerly homeless and low-income individuals earning 50% or less of the area median income. The property will incorporate best practices that reflect VSH's 30 years of experience developing affordable housing, such as the following:

- The units will range in size from approximately 500 to 950 square feet and will include a private full bathroom and kitchen with full-size appliances.
- The building will contain a large community room with a kitchen, a resident computer lab, a phone room for resident use, a fitness room, laundry facilities, a front desk, staff offices for on-site support services and property management staff, and off-street parking.
- The building will have an extensive security system, and the front desk will be staffed sixteen hours a day with a night monitor on call during the evening hours.
- Residents will sign a lease and pay 30% of their income for rent. In Richmond, the average annual income of our most vulnerable clients is \$7,579.

The entire development will meet the Virginia Housing and Development Authority's (VHDA) Universal Design guidelines and be certified for green building and resource and energy efficiency.

ABILITY OF VSH TO PROVIDE FOR PROPOSED USE

Costs and funding sources - The projected total cost for the development is \$30,000,000. VSH has a proven track record of successfully obtaining diverse funding sources for its supportive housing redevelopments, which include the following:

- Low Income Housing Tax Credits
- National Housing Trust Fund
- DHCD: Virginia Housing Trust Fund, HOME, Permanent Supportive Housing
- Local CDBG and HOME
- City of Richmond Affordable Housing Trust Funds
- Federal Home Loan Bank of Atlanta AHP
- The Home Depot Foundation
- Private Foundations
- VHDA REACH Loan

Timeline – The following provides a high-level view of the timeline, including actions taken to-date and activities based on our experience completing 17 similar projects across three regions of Virginia.

2010	City of Richmond asks VSH to consider acquiring the vacant property at 1900 Cool Lane and converting it into permanent supportive housing. VSH expresses interest, but Henrico County is unable to move forward at that time.
July 2018	Henrico County confirms with VSH Executive Director Allison Bogdanovic that they are prepared to consider a permanent supportive housing community within Henrico County. County Manager John Vithoukas proposes the Cool Lane location as a viable option.
September 6, 2018	Initial meeting between VSH team and City Administration to discuss prospective proposal and confirm process.
September and October 2018	VSH begins informational meetings with project stakeholders and potential partners.
October 12, 2018	VSH presents the City with unsolicited offer for the site.
November 8, 2018	Filing deadline for submission of Application to County
Nov. 2018 – February 2019	Complete rezoning process
March 2019	VSH submits LIHTC application to VHDA
April 2019 – December 2020	Acquire funding, complete HUD review, construction drawings
January 2021	Begin construction
December 2021	Complete construction
June 2022	Complete lease-up

Rezoning Request - As a component of the proposal, we request the City's approval of the filing of a rezoning application with the County by November 8, 2018. The form of application will be submitted to the City for review and comment on or prior to the deadline. This will enable VSH to obtain the rezoning prior to the March 2019 deadline to apply for Low-Income Housing Tax Credits (LIHTC) from Virginia Housing Development Authority (VHDA). We request assistance from all necessary City stakeholders (e.g. Mayor's Office, Administration and City Council) in navigating this accelerated timeline so that more than 100 people in need will have a home in 2021.

Track record - VSH currently owns and operates 17 apartment communities. Of those, five are new construction featuring 60-80 units, and 12 are renovations or adaptive reuse of existing buildings, including New Clay House, our flagship property in Richmond. In 1992, VSH's founders purchased and renovated the historic building in Richmond's Carver neighborhood and opened Virginia's first supportive housing community. Since that time, VSH has opened 16 other properties in Virginia and honed its supportive housing development expertise considerably. In 2017, with critical support from the City, we began renovating and expanding New Clay House from 47 units to 80, bringing it up to the agency's current standards to foster independence and build community among residents. The renovated community will feature 67 units for formerly homeless individuals and 13 units for individuals earning 50% or less of AMI. A detailed summary of VSH's supportive projects is included as Exhibit A to this Proposal.

Today, emerging best practices promote an even more diverse mixed-income model. Our leadership team is analyzing how to modify our model to better align with those practices. As with the proposed community at Cool Lane, we are evolving our model of affordable housing to serve formerly homeless and extremely low-income individuals. Such properties help build stronger, more diverse neighborhoods.

Mission and history - VSH's mission is to end homelessness in Virginia by providing permanent housing and supportive services. Our approach works. Of those we serve, 97% remain permanently housed.

The organization was founded in 1988 by a small group of volunteers who shared the goal of helping homeless individuals in Richmond. In 1992, with the opening of New Clay House in Richmond's Carver neighborhood, VSH became the first agency to develop and manage supportive housing in Virginia. Today, VSH provides permanent supportive housing to more than 900 individuals living in Richmond, Hampton Roads, and Charlottesville. We accomplish our mission by:

- Creating affordable supportive housing opportunities by constructing new or rehabilitating old properties into apartments that VSH owns and operates and by partnering with private landlords to lease apartments to our clients.
- Offering comprehensive supportive services to help clients achieve housing, health, and economic stability.
- Serving as a leading provider of rapid rehousing and supportive services to veterans. VSH has played a significant role in Virginia's efforts to end veteran homelessness.

COMPATIBILITY OF PROPOSAL WITH CITY'S MASTER PLAN

The proposed use of the Property furthers the goals of, and is compatible with, the City's master plan. The redevelopment will more evenly distribute the region's burden to provide housing for its most vulnerable residents and will help the City to foster a more equitable distribution of low cost and assisted housing throughout Metro Richmond. Reducing the City's disproportionate share of responsibility for subsidized housing falls squarely within the objectives of the Master Plan. [MP pp 103].

The proposed adaptive reuse benefits a challenged area of the City where vacant and abandoned structures are a source of blight. [MP pp 121]. This redevelopment will not only resurrect a vacant building, it will also improve the appearance of the Mechanicsville Turnpike Corridor and Fairfield Gateway. This is a step toward the master plan goal of maintaining a high quality visual environment along the gateways into the City. [MP pp 29]. By finding a new residential use for an otherwise obsolete and currently vacant building, VSH can achieve Richmond's master plan goal of eliminating the negative appearance of abandoned property while it simultaneously achieves our shared goal to serve the formerly homeless and the vulnerable. This win-win not only benefits both VSH and the City, it further advances the City's cooperative goal of supporting initiatives that engage the surrounding counties to solve low- and moderate-income housing problems. [MP pp 100].

The proposed use provides housing to residents who might otherwise require services from RRHA's public housing, and further, it gives residents the support they need to remain independent. This achieves a targeted strategy laid out in Richmond's master plan to address the public housing problem by replacing public housing units with a tenant-based system. [MP pp 106].

Finally, this project represents a partnership the City can support that fits within one of the master plan's Basic Premises as to housing, namely, that maintaining decent, affordable housing requires investment and reinvestment from the private sector. [MP pp 102]. VSH has a proven track record of achieving funding from both private and public sector sources to maintain our 17 communities across the Commonwealth.

COMMUNITY IMPACT OF PROJECT

Need – The renovated property will serve formerly homeless adults and adults earning 50% or less of AMI (area median income). For these individuals, affordable rental housing is the primary tool that decreases their chances of experiencing homelessness.

The need to serve these vulnerable populations is critical. Homeward's January 2018 Point In Time (PIT) count, completed January 24, 2018, identified 535 adults experiencing homelessness in the Richmond region. The City of Richmond Affordable Housing Strategy Final Report prepared by David Paul Rosen & Associates for the City in November 2014 cites, "There are nearly 8,400 renter households, representing one in five households in Richmond, that earn less than 30% of AMI (\$21,900 per year for a family of four in 2014) and pay more than 50% of their limited gross income on housing (rent plus utilities). These households represent the most severe housing need for the City." [Rosen pp 2].

Benefits - VSH has always targeted individuals with the highest levels of need and the longest histories of street homelessness, including those who are chronically homeless, medically vulnerable or severely mentally ill. We follow the "Housing First" model, which calls for housing individuals first, then providing supportive services to help them maintain housing stability. We customize those services according to each person's needs. The outcomes we achieve are proof our organization is successfully working to enable low-income individuals and our communities to grow and prosper.

Of the clients we served in Richmond in 2017, 97% remain permanently housed. The benefits extend from the individual to the community. It costs a community approximately \$31,000 per year for a chronically homeless person to be homeless. Conversely, it costs an average of only \$10,000 per year to provide this same individual with permanent supportive housing. (Shinn, G. 2014).

Community engagement – VSH believes that collaboration is the key to providing quality, cost-effective services and programs tailored to the needs of the community. Our partnerships with local governments, public housing authorities and community development financial entities have pioneered an extraordinary example of regional cooperation for the public good.

In Richmond, Homeward coordinates the region's planning efforts. VSH is an active participant in the process, attends meetings, shares data, and identifies services gaps. The Richmond Behavioral Health Authority, The Daily Planet, Bon Secours, VCU Health Systems, the Department of Veterans Affairs, the Department of Social Services, CARITAS and other homeless service providers are partners in providing essential services to VSH clients.

For a project of this scale, our collaboration begins well before we break ground. We have spoken with the Cool Lane Civic Association and the Central Gardens Civic Association in addition to the pastor of Faith Community Baptist Church, and we will continue our dialogue with the community.

PROPOSED PRICE OFFERED

The current proposal requests that the City contribute the property at no cost to VSH, which will leverage the diverse sources of funds described above to achieve this transformative redevelopment.

EXHIBIT A

Virginia Supportive Housing Supportive Studio Apartments for Homeless and Low-Income Single Adults

- **New Clay House— 1125 West Clay Street, Richmond**
 - Developed in 1992
 - 47 studio units with supportive services for homeless adults
 - First SRO in Virginia
 - Total cost of \$1,900,000
 - Sources of funds included: low-income housing tax credits, state, and private foundation funds
 - Currently under construction to renovate and expand to 80 supportive studio units
 - Total cost of \$19,000,000
 - Sources of funds included: low-income housing tax credits, historic tax credits, state HOME and Housing Trust Funds, National Housing Trust Funds, Richmond and Henrico CDBG funds, Richmond Affordable Housing Trust Funds, Federal Home Loan Bank of Atlanta AHP funds, a VHDA REACH Loan, and private foundation funds

- **South Richmond SRO— 5409 Hull Street Road, Richmond**
 - Developed in 1996, expanded in 2011, and renovated in 2016
 - 60 studio units with supportive services for homeless adults
 - Total cost of \$9,500,000 (expansion \$3,500,000 and renovation \$6,000,000)
 - Sources of funds included: low-income housing tax credits, state HOME and Housing Trust Funds, Richmond CDBG, Henrico CDBG, Chesterfield CDBG, Richmond Affordable Housing Trust Funds, Federal Home Loan Bank of Atlanta AHP funds, a VHDA REACH Loan, and private foundation funds

- **Gosnold Apartments— 2425 Gosnold Avenue, Norfolk**
 - Developed in 2006
 - 60 studio units with supportive services
 - Total cost of \$5,600,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, and private foundation funds

- **Cloverleaf Apartments— 964 South Military Highway, Virginia Beach**
 - Developed in 2008
 - 60 studio units with supportive services
 - Total cost of \$6,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, and private foundation funds

- **South Bay Apartments—1600 South Street, Portsmouth**
 - Developed in 2010
 - 60 studio units with supportive services
 - Total cost of \$6,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, and private foundation funds

- **The Crossings at Fourth and Preston— 401 Fourth Street NW, Charlottesville**
 - Developed in 2012
 - 60 studio units with supportive services
 - Total cost of \$6,700,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, a VHDA REACH loan, Federal Home Loan Bank of Atlanta AHP, and private foundation funds

- **Heron’s Landing—2133 South Military Highway, Chesapeake**
 - Developed in 2012
 - 60 studio units with supportive services
 - Total cost of \$9,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, Federal Home Loan Bank of Atlanta AHP, and private foundation funds

- **Crescent Square—1333 Diamond Springs Road, Virginia Beach**
 - Developed in 2016
 - 80 studio units with supportive services
 - Total cost of \$12,400,000
 - Sources of funds included: low-income housing tax credits, state HOME and Housing Trust Funds, local CDBG and HOME, Federal Home Loan Bank of Atlanta AHP, a VHDA REACH loan, and private foundation funds

- **Church Street Station Studios—2016 Church Street, Norfolk**
 - Developed in 2017
 - 80 studio units with supportive services
 - Total cost of \$13,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, Federal Home Loan Bank of Atlanta AHP, a VHDA REACH loan, and private foundation funds

of Richmond (2018), as amended, the Code of Virginia (1950), as amended, and the Constitution of Virginia.

§ 2. That, pursuant to section 8-65(b) of the Code of the City of Richmond (2015), as amended, the Chief Administrative Officer is hereby directed to execute, on behalf of the City, the deed and such other documents, all of which must first be approved as to form by the City Attorney, as may be necessary to consummate the sale of such property.

§ 3. This ordinance shall be in force and effect upon adoption.

4-8509
JAN 16 2019



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

Office of the
Chief Administrative Officer

O&R REQUEST **RECEIVED**

DATE: January 15, 2019

JAN 31 2019
EDITION: 1

TO: THE HONORABLE MEMBERS OF CITY COUNCIL

OFFICE OF CITY ATTORNEY

THROUGH: THE HONORABLE LEVAR M. STONEY, MAYOR

JS 1/23/19
SD

THROUGH: SELENA CUFFEE-GLENN, CHIEF ADMINISTRATIVE OFFICER

THROUGH: LENORA G. REID, DEPUTY CHIEF ADMINISTRATIVE OFFICER, FINANCE & ADMINISTRATION

JS

THROUGH: DOUGLAS C. DUNLAP, INTERIM DEPUTY CHIEF ADMINISTRATIVE OFFICER FOR ECONOMIC DEVELOPMENT AND PLANNING

DD

THROUGH: JANE C. FERRARA, INTERIM DIRECTOR OF ECONOMIC DEVELOPMENT

JCF

FROM: PAUL MCCLELLAN, PROGRAMS ADMINISTRATOR – REAL ESTATE STRATEGIES, ECONOMIC DEVELOPMENT

PM

RE: TO DECLARE AS SURPLUS AND AUTHORIZE THE CHIEF ADMINISTRATIVE OFFICER TO CONVEY THE CITY-OWNED PROPERTY LOCATED AT 1900 COOL LANE (HENRICO COUNTY TAX PARCEL # 799-726-0294) AND 2011 MECHANICSVILLE TURNPIKE (RICHMOND TAX PARCEL # E0120146002)

ORD. OR RES. No. _____

PURPOSE: To declare as surplus and authorize the conveyance of the City-owned property located at 1900 Cool Lane (Henrico County Tax Parcel #799-726-0294) AND 2011 Mechanicsville Turnpike (Tax Parcel # E0120146002)) from the City to Virginia Supportive Housing (the Purchaser)

REASON: The properties located at 1900 Cool Lane and 2011 Mechanicsville Turnpike were operated as the former Seven Hills Nursing Home which was owned and managed by the Hospital Authority of Richmond. The nursing home ceased operation in 2008 and the property was conveyed to the City of Richmond in 2009. The properties have remained vacant and underutilized since that time. By conveying these properties to

O & R Request

Virginia Supportive Housing the City will facilitate the creation of much needed affordable housing and permanent supportive housing for formerly homeless adults as well as stimulate private investment, job creation and economic development in the area.

RECOMMENDATION: The City Administration including the Department of Economic Development recommends approval.

BACKGROUND: The 1900 Cool Lane parcel consists of approximately 5.34 acres of land and a 90,000 square foot building that was previously operated as a nursing home. The 2011 Mechanicsville Turnpike parcel consists of approximately 0.38 acres of land and is developed as a parking lot to serve the adjacent nursing home. The site was formerly the Seven Hill Nursing Home which was operated by the Hospital Authority of Richmond. The existing zoning of the property is B-2 (Community Business) within the City for the 0.38 acre parcel and A-1 (Agricultural District) within Henrico County for the 5.34 acre parcel.

Virginia Supportive Housing is proposing to redevelop the properties with high quality, much needed affordable housing and permanent supportive housing for formerly homeless adults. They propose up to 105 multi-family dwelling units within the existing building with a unit mix that will include zero, one and two-bedroom units. Virginia Supportive Housing has initiated an application to the Henrico County Board of Supervisors to rezone the 1900 Cool Lane parcel from A-1 to R-6 (General Residence) in order to allow their proposed use. The offeror hopes to complete the rezoning of the 1900 Cool Lane parcel by February 2019 and plans to file for VHDA Low Income Housing Tax Credits in March 2019. The offeror intends to complete construction of the property improvements by December 2021 and they project a total development cost of \$30 million. The last time the building was occupied was January 14, 2008 and the building has experienced significant deterioration since that time due to vandalism and deferred maintenance of the property. Virginia Supportive Housing is asking the City to donate the 2 parcels to them at no cost to the offeror. The total 2018 Henrico County Assessment for the 1900 Cool Lane parcel including land and improvements is \$2,754,500. The total 2019 City of Richmond Assessment for the 2011 Mechanicsville Turnpike parcel including land and improvements is \$172,000.

In accordance with City Code Section 8-58 (which was amended by Ordinance No. 2017-069 on November 13, 2017) the Department of Economic Development is required to solicit competitive bids for the property prior to making a recommendation to sell the property and submitting an Ordinance to City Council requesting authorization for the CAO to sell a property. The City Attorney's Office has confirmed that this request to donate City property would likely be classified as an Unsolicited Offer and would therefore be subject to the City Code Section 8-58 requirements. However the City Attorney's office has advised that City Council may override the Code Section 8-58 procedures by ordinance if it wishes to proceed with the donation of this property to Virginia Supportive Housing.

O & R Request

FISCAL IMPACT/COST TO CITY: The conveyance of this property will result in \$0.00 in sales proceeds to the City.

FISCAL IMPLICATIONS: None other than the City will no longer need to expend funds to maintain and secure the existing building and site.

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: Once the property is sold for redevelopment will become taxable real estate on the City's real estate tax rolls.

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: February 11, 2019

CITY COUNCIL PUBLIC HEARING DATE: February 25, 2019

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: City Planning Commission February 19, 2019.

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Mayor, Chief Administrative Officer, Public Utilities, Budget, Public Works, Economic Development, Housing and Community Development

RELATIONSHIP TO EXISTING ORD. OR RES.: None

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: Letter from Virginia Supportive Housing dated October 16, 2018 requesting that the City donate the former Seven Hills Nursing Home site.

STAFF:

Douglas Dunlap, Planning and Economic Development 646-6822

Jane Ferrara, Economic Development 646-6737

Paul McClellan, Economic Development 646-3061

October 16, 2018

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Executive Director

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Nancy B. Stutts

James Ukrop

Ms. Selena Cuffee-Glenn
Chief Administrative Officer, City of Richmond
900 East Broad Street, Suite 201
Richmond, Virginia 23219

Re. **Unsolicited Offer for City-Owned Real Estate**
Seven Hills Health Care Center | 1900 Cool Lane

Dear Ms. Cuffee-Glenn:

On behalf of Virginia Supportive Housing (VSH), please receive this unsolicited offer made pursuant to Sec. 8-58 of the Code of the City concerning vacant property owned by the City of Richmond formerly known as the Seven Hills Health Care Center and located at 1900 Cool Lane in Henrico County (the "Property").

VSH desires to acquire and redevelop the Property into beautiful, high-quality, and much-needed affordable housing and permanent supportive housing for formerly homeless adults, as further described in the enclosed project summary. In connection with this proposal, we request that the City initiate (or permit VSH to initiate on the City's behalf) an application to the Board of Supervisors of Henrico County to amend the zoning district classification of the Property from A-1 agricultural to R-6 general residence. If approved, the rezoning would permit VSH's proposed use of the Property, which includes up to 105 multifamily dwelling units comprised of zero-, one- and two-bedrooms and VSH offices. This residential community will be specifically designed to provide affordable housing and permanent supportive housing for formerly homeless adults.

As you know, VSH has three decades of experience and success with the adaptive reuse and construction of high quality affordable housing with permanent supportive services for formerly homeless adults. We have developed, own, and currently operate 17 properties across the Commonwealth. This track record speaks to VSH's commitment to working with stakeholders in this community to ensure that this neighborhood's existing residents and our entire region will benefit from the proposed reinvestment. With the City's assistance in meeting the critical timeline detailed in the enclosed project summary, those benefits could become visible as soon as late 2020.

The proposed project has the strong support and endorsement of Henrico County's Manager, John Vithoukas, subject to approval of the necessary rezoning by the Henrico County Board of Supervisors. This regional partnership between the City, Henrico County, and VSH, as a non-profit leader in the development of high-quality, sustainable affordable housing will demonstrate the wisdom of this approximately \$30 million investment in a community where affordable housing, churches and schools, coffee shops and market-priced condominiums can co-exist and thrive.

We hope that the enclosed proposal describes a vision that the City will embrace and help us achieve. Should you have any questions or require any further information in connection with this request, please contact me via phone (804-332-0500) or email (abogdanovic@virginiassupportivehousing.org). We look forward to your response.

Sincerely,



Allison Bogdanovic
Executive Director, Virginia Supportive Housing

cc: Honorable Members, Richmond City Council (via email)
T. Preston Lloyd, Jr., Esq., Williams Mullen (via email)

COOL LANE APARTMENTS

Collaborating to create homes for our community's most vulnerable

CONTENTS

- Summary
- Proposed Use of the Property
- Financial Ability of VSH to Provide for Proposed Use
- Community Impact of Project
- Purchase Price Offered
- Photos of Similar Projects

SUMMARY

Virginia Supportive Housing (VSH) requests that the City of Richmond authorize the transfer of title to the Property, which has been vacant for ten years, to Virginia Supportive Housing for the purpose of redevelopment into approximately 105 high-quality zero-, one- and two-bedroom units as further outlined in this proposal. The City presently owns the land and improvements located on the Property, which is in Henrico County. The City's approval will enable VSH to redevelop the property into a new residential community that will provide much-needed affordable housing and permanent supportive housing for formerly homeless adults.

PROPOSED USE OF THE PROPERTY

Description – The proposed development will renovate a vacated assisted living facility on Cool Lane in Henrico, Virginia into approximately 105 zero-, one- and two-bedroom units. Upon its completion, the adaptive reuse of this facility will be a mixed-income community with units available for both formerly homeless and low-income individuals earning 50% or less of the area median income. The property will incorporate best practices that reflect VSH's 30 years of experience developing affordable housing, such as the following:

- The units will range in size from approximately 500 to 950 square feet and will include a private full bathroom and kitchen with full-size appliances.
- The building will contain a large community room with a kitchen, a resident computer lab, a phone room for resident use, a fitness room, laundry facilities, a front desk, staff offices for on-site support services and property management staff, and off-street parking.
- The building will have an extensive security system, and the front desk will be staffed sixteen hours a day with a night monitor on call during the evening hours.
- Residents will sign a lease and pay 30% of their income for rent. In Richmond, the average annual income of our most vulnerable clients is \$7,579.

The entire development will meet the Virginia Housing and Development Authority's (VHDA) Universal Design guidelines and be certified for green building and resource and energy efficiency.

ABILITY OF VSH TO PROVIDE FOR PROPOSED USE

Costs and funding sources - The projected total cost for the development is \$30,000,000. VSH has a proven track record of successfully obtaining diverse funding sources for its supportive housing redevelopments, which include the following:

- Low Income Housing Tax Credits
- National Housing Trust Fund
- DHCD: Virginia Housing Trust Fund, HOME, Permanent Supportive Housing
- Local CDBG and HOME
- City of Richmond Affordable Housing Trust Funds
- Federal Home Loan Bank of Atlanta AHP
- The Home Depot Foundation
- Private Foundations
- VHDA REACH Loan

Timeline – The following provides a high-level view of the timeline, including actions taken to-date and activities based on our experience completing 17 similar projects across three regions of Virginia.

2010	City of Richmond asks VSH to consider acquiring the vacant property at 1900 Cool Lane and converting it into permanent supportive housing. VSH expresses interest, but Henrico County is unable to move forward at that time.
July 2018	Henrico County confirms with VSH Executive Director Allison Bogdanovic that they are prepared to consider a permanent supportive housing community within Henrico County. County Manager John Vithoukas proposes the Cool Lane location as a viable option.
September 6, 2018	Initial meeting between VSH team and City Administration to discuss prospective proposal and confirm process.
September and October 2018	VSH begins informational meetings with project stakeholders and potential partners.
October 12, 2018	VSH presents the City with unsolicited offer for the site.
November 8, 2018	Filing deadline for submission of Application to County
Nov. 2018 – February 2019	Complete rezoning process
March 2019	VSH submits LIHTC application to VHDA
April 2019 – December 2020	Acquire funding, complete HUD review, construction drawings
January 2021	Begin construction
December 2021	Complete construction
June 2022	Complete lease-up

Rezoning Request - As a component of the proposal, we request the City's approval of the filing of a rezoning application with the County by November 8, 2018. The form of application will be submitted to the City for review and comment on or prior to the deadline. This will enable VSH to obtain the rezoning prior to the March 2019 deadline to apply for Low-Income Housing Tax Credits (LIHTC) from Virginia Housing Development Authority (VHDA). We request assistance from all necessary City stakeholders (e.g. Mayor's Office, Administration and City Council) in navigating this accelerated timeline so that more than 100 people in need will have a home in 2021.

Track record - VSH currently owns and operates 17 apartment communities. Of those, five are new construction featuring 60-80 units, and 12 are renovations or adaptive reuse of existing buildings, including New Clay House, our flagship property in Richmond. In 1992, VSH's founders purchased and renovated the historic building in Richmond's Carver neighborhood and opened Virginia's first supportive housing community. Since that time, VSH has opened 16 other properties in Virginia and honed its supportive housing development expertise considerably. In 2017, with critical support from the City, we began renovating and expanding New Clay House from 47 units to 80, bringing it up to the agency's current standards to foster independence and build community among residents. The renovated community will feature 67 units for formerly homeless individuals and 13 units for individuals earning 50% or less of AMI. A detailed summary of VSH's supportive projects is included as Exhibit A to this Proposal.

Today, emerging best practices promote an even more diverse mixed-income model. Our leadership team is analyzing how to modify our model to better align with those practices. As with the proposed community at Cool Lane, we are evolving our model of affordable housing to serve formerly homeless and extremely low-income individuals. Such properties help build stronger, more diverse neighborhoods.

Mission and history - VSH's mission is to end homelessness in Virginia by providing permanent housing and supportive services. Our approach works. Of those we serve, 97% remain permanently housed.

The organization was founded in 1988 by a small group of volunteers who shared the goal of helping homeless individuals in Richmond. In 1992, with the opening of New Clay House in Richmond's Carver neighborhood, VSH became the first agency to develop and manage supportive housing in Virginia. Today, VSH provides permanent supportive housing to more than 900 individuals living in Richmond, Hampton Roads, and Charlottesville. We accomplish our mission by:

- Creating affordable supportive housing opportunities by constructing new or rehabilitating old properties into apartments that VSH owns and operates and by partnering with private landlords to lease apartments to our clients.
- Offering comprehensive supportive services to help clients achieve housing, health, and economic stability.
- Serving as a leading provider of rapid rehousing and supportive services to veterans. VSH has played a significant role in Virginia's efforts to end veteran homelessness.

COMPATIBILITY OF PROPOSAL WITH CITY'S MASTER PLAN

The proposed use of the Property furthers the goals of, and is compatible with, the City's master plan. The redevelopment will more evenly distribute the region's burden to provide housing for its most vulnerable residents and will help the City to foster a more equitable distribution of low cost and assisted housing throughout Metro Richmond. Reducing the City's disproportionate share of responsibility for subsidized housing falls squarely within the objectives of the Master Plan. [MP pp 103].

The proposed adaptive reuse benefits a challenged area of the City where vacant and abandoned structures are a source of blight. [MP pp 121]. This redevelopment will not only resurrect a vacant building, it will also improve the appearance of the Mechanicsville Turnpike Corridor and Fairfield Gateway. This is a step toward the master plan goal of maintaining a high quality visual environment along the gateways into the City. [MP pp 29]. By finding a new residential use for an otherwise obsolete and currently vacant building, VSH can achieve Richmond's master plan goal of eliminating the negative appearance of abandoned property while it simultaneously achieves our shared goal to serve the formerly homeless and the vulnerable. This win-win not only benefits both VSH and the City, it further advances the City's cooperative goal of supporting initiatives that engage the surrounding counties to solve low- and moderate-income housing problems. [MP pp 100].

The proposed use provides housing to residents who might otherwise require services from RRHA's public housing, and further, it gives residents the support they need to remain independent. This achieves a targeted strategy laid out in Richmond's master plan to address the public housing problem by replacing public housing units with a tenant-based system. [MP pp 106].

Finally, this project represents a partnership the City can support that fits within one of the master plan's Basic Premises as to housing, namely, that maintaining decent, affordable housing requires investment and reinvestment from the private sector. [MP pp 102]. VSH has a proven track record of achieving funding from both private and public sector sources to maintain our 17 communities across the Commonwealth.

COMMUNITY IMPACT OF PROJECT

Need – The renovated property will serve formerly homeless adults and adults earning 50% or less of AMI (area median income). For these individuals, affordable rental housing is the primary tool that decreases their chances of experiencing homelessness.

The need to serve these vulnerable populations is critical. Homeward's January 2018 Point In Time (PIT) count, completed January 24, 2018, identified 535 adults experiencing homelessness in the Richmond region. The City of Richmond Affordable Housing Strategy Final Report prepared by David Paul Rosen & Associates for the City in November 2014 cites, "There are nearly 8,400 renter households, representing one in five households in Richmond, that earn less than 30% of AMI (\$21,900 per year for a family of four in 2014) and pay more than 50% of their limited gross income on housing (rent plus utilities). These households represent the most severe housing need for the City." [Rosen pp 2].

Benefits - VSH has always targeted individuals with the highest levels of need and the longest histories of street homelessness, including those who are chronically homeless, medically vulnerable or severely mentally ill. We follow the "Housing First" model, which calls for housing individuals first, then providing supportive services to help them maintain housing stability. We customize those services according to each person's needs. The outcomes we achieve are proof our organization is successfully working to enable low-income individuals and our communities to grow and prosper.

Of the clients we served in Richmond in 2017, 97% remain permanently housed. The benefits extend from the individual to the community. It costs a community approximately \$31,000 per year for a chronically homeless person to be homeless. Conversely, it costs an average of only \$10,000 per year to provide this same individual with permanent supportive housing. (Shinn, G. 2014).

Community engagement – VSH believes that collaboration is the key to providing quality, cost-effective services and programs tailored to the needs of the community. Our partnerships with local governments, public housing authorities and community development financial entities have pioneered an extraordinary example of regional cooperation for the public good.

In Richmond, Homeward coordinates the region's planning efforts. VSH is an active participant in the process, attends meetings, shares data, and identifies services gaps. The Richmond Behavioral Health Authority, The Daily Planet, Bon Secours, VCU Health Systems, the Department of Veterans Affairs, the Department of Social Services, CARITAS and other homeless service providers are partners in providing essential services to VSH clients.

For a project of this scale, our collaboration begins well before we break ground. We have spoken with the Cool Lane Civic Association and the Central Gardens Civic Association in addition to the pastor of Faith Community Baptist Church, and we will continue our dialogue with the community.

PROPOSED PRICE OFFERED

The current proposal requests that the City contribute the property at no cost to VSH, which will leverage the diverse sources of funds described above to achieve this transformative redevelopment.

EXHIBIT A

Virginia Supportive Housing Supportive Studio Apartments for Homeless and Low-Income Single Adults

- **New Clay House— 1125 West Clay Street, Richmond**
 - Developed in 1992
 - 47 studio units with supportive services for homeless adults
 - First SRO in Virginia
 - Total cost of \$1,900,000
 - Sources of funds included: low-income housing tax credits, state, and private foundation funds
 - Currently under construction to renovate and expand to 80 supportive studio units
 - Total cost of \$19,000,000
 - Sources of funds included: low-income housing tax credits, historic tax credits, state HOME and Housing Trust Funds, National Housing Trust Funds, Richmond and Henrico CDBG funds, Richmond Affordable Housing Trust Funds, Federal Home Loan Bank of Atlanta AHP funds, a VHDA REACH Loan, and private foundation funds

- **South Richmond SRO— 5409 Hull Street Road, Richmond**
 - Developed in 1996, expanded in 2011, and renovated in 2016
 - 60 studio units with supportive services for homeless adults
 - Total cost of \$9,500,000 (expansion \$3,500,000 and renovation \$6,000,000)
 - Sources of funds included: low-income housing tax credits, state HOME and Housing Trust Funds, Richmond CDBG, Henrico CDBG, Chesterfield CDBG, Richmond Affordable Housing Trust Funds, Federal Home Loan Bank of Atlanta AHP funds, a VHDA REACH Loan, and private foundation funds

- **Gosnold Apartments— 2425 Gosnold Avenue, Norfolk**
 - Developed in 2006
 - 60 studio units with supportive services
 - Total cost of \$5,600,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, and private foundation funds

- **Cloverleaf Apartments— 964 South Military Highway, Virginia Beach**
 - Developed in 2008
 - 60 studio units with supportive services
 - Total cost of \$6,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, and private foundation funds

- **South Bay Apartments—1600 South Street, Portsmouth**
 - Developed in 2010
 - 60 studio units with supportive services
 - Total cost of \$6,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, and private foundation funds

- **The Crossings at Fourth and Preston— 401 Fourth Street NW, Charlottesville**
 - Developed in 2012
 - 60 studio units with supportive services
 - Total cost of \$6,700,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, a VHDA REACH loan, Federal Home Loan Bank of Atlanta AHP, and private foundation funds

- **Heron’s Landing—2133 South Military Highway, Chesapeake**
 - Developed in 2012
 - 60 studio units with supportive services
 - Total cost of \$9,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, Federal Home Loan Bank of Atlanta AHP, and private foundation funds

- **Crescent Square—1333 Diamond Springs Road, Virginia Beach**
 - Developed in 2016
 - 80 studio units with supportive services
 - Total cost of \$12,400,000
 - Sources of funds included: low-income housing tax credits, state HOME and Housing Trust Funds, local CDBG and HOME, Federal Home Loan Bank of Atlanta AHP, a VHDA REACH loan, and private foundation funds

- **Church Street Station Studios—2016 Church Street, Norfolk**
 - Developed in 2017
 - 80 studio units with supportive services
 - Total cost of \$13,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, Federal Home Loan Bank of Atlanta AHP, a VHDA REACH loan, and private foundation funds

**FIRST AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this “First Amendment”) is made and entered into this 30 day of December 2019 by and between COOL LANE APARTMENTS, LLC, a Virginia limited liability company (“Purchaser”), and the CITY OF RICHMOND, a municipal corporation of the Commonwealth of Virginia (“Seller”).

BACKGROUND:

A. Purchaser, as successor-in-interest to Virginia Supportive Housing, a Virginia nonstock corporation, and Seller entered into that certain Purchase and Sale Agreement, dated March 13, 2019 (the “Agreement”), with respect to the sale of certain real property and improvements thereon located in the City of Richmond, Virginia, and described more particularly in the Agreement.

B. The parties desire to amend the Agreement as hereinafter set forth.

C. All capitalized terms used herein without definition shall have the meanings given to the same in the Agreement.

NOW, THEREFORE, the parties hereto, in consideration of the mutual promises and covenants contained herein and in the Agreement, and intending to be legally bound hereby, agree that the Agreement is amended as follows:

1. **Closing.** Section 2.3 of the Agreement is hereby deleted and replaced in its entirety with the following:

2.3 **Closing.** Unless this Agreement is sooner terminated as provided in this Agreement, delivery of the Deed and the closing hereunder (the “Closing”) shall take place pursuant to an escrow closing on a date requested by Purchaser in a written notice to Seller (the “Closing Notice”), which date shall be at least fifteen (15) business days from the date of the Closing Notice (the “Date of Closing”). Purchaser and Seller agree that Closing pursuant to this Agreement will occur concurrently with the closing of a construction loan for the Construction and Rehabilitation (as hereinafter defined). The Closing shall occur on the Date of Closing and shall be conducted by mail or overnight courier by the Title Company (as hereinafter defined), or at such other time and place as may be agreed to in writing by Seller and Purchaser. Notwithstanding the foregoing, Purchaser and Seller shall endeavor to conduct Closing by depositing (by overnight or local courier) into escrow with the Title Company all closing documents and other items in connection therewith no later than the first business day immediately prior to the Date of Closing. **Purchaser and Seller agree that Closing shall not take place prior to July 15, 2019 or later than January 31, 2020 (the “Closing Period”),** as such Closing Period may be extended by the parties in a written amendment to this Agreement. Notwithstanding the foregoing, the Closing may take place within a reasonable time after the Closing Period in the event Seller requires additional time to complete its deliveries as described in Section 8 of this Agreement. In the event that any of the conditions set forth in Section 6 of this Agreement have not been satisfied or performed (or waived with respect to condition (i) of Section 6) on or as of January 31, 2020, Seller shall not be obligated to take part in the Closing, and this Agreement will terminate upon notice duly given by Seller to Purchaser.

2. Ratification. Except as expressly modified herein, the terms and conditions of the Agreement shall remain unchanged and in full force and effect. The Agreement, as modified by this First Amendment, is hereby ratified and affirmed in all respects. If anything contained in this First Amendment conflicts with any terms of the Agreement, then the terms of this First Amendment shall prevail.

3. Successors and Assigns. This First Amendment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

4. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument, and electronic and facsimile signatures shall be deemed to be original signatures and of the same force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller and Purchaser have executed this First Amendment as of the day and year first above written.

PURCHASER:

COOL LANE APARTMENTS, LLC,
a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc.,
a Virginia corporation,
its managing member

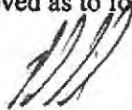
By: Allison Bogdanovic (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

By: Lenora G. Reid 12/24/19 (SEAL)
Name: Lenora G. Reid
Title: Acting Chief Administrative Officer

Approved as to form:



Neil R. Gibson
Assistant City Attorney

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**SECOND AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT (this “**Second Amendment**”) is made and entered into this **31st** day of **January**, 2020 by and between **COOL LANE APARTMENTS, LLC**, a Virginia limited liability company (“**Purchaser**”), and the **CITY OF RICHMOND**, a municipal corporation of the Commonwealth of Virginia (“**Seller**”).

BACKGROUND:

A. Purchaser, as successor-in-interest to Virginia Supportive Housing, a Virginia nonstock corporation, and Seller entered into that certain Purchase and Sale Agreement, dated March 13, 2019 (the “**Original Agreement**”), as amended by that certain First Amendment to Purchase and Sale Agreement, dated December 30, 2019 (the “**First Amendment**” and together with the Original Agreement, the “**Agreement**”), with respect to the sale of certain real property and improvements thereon located in the City of Richmond, Virginia, and described more particularly in the Agreement.

B. The parties desire to amend the Agreement as hereinafter set forth.

C. All capitalized terms used herein without definition shall have the meanings given to the same in the Agreement.

NOW, THEREFORE, the parties hereto, in consideration of the mutual promises and covenants contained herein and in the Agreement, and intending to be legally bound hereby, agree that the Agreement is amended as follows:

1. **Closing**. Section 2.3 of the Original Agreement, as amended by the First Amendment, is hereby deleted and replaced in its entirety with the following:

2.3 **Closing**. Unless this Agreement is sooner terminated as provided in this Agreement, delivery of the Deed and the closing hereunder (the “**Closing**”) shall take place pursuant to an escrow closing on a date requested by Purchaser in a written notice to Seller (the “**Closing Notice**”), which date shall be at least fifteen (15) business days from the date of the Closing Notice (the “**Date of Closing**”). Purchaser and Seller agree that Closing pursuant to this Agreement will occur concurrently with the closing of a construction loan for the Construction and Rehabilitation (as hereinafter defined). The Closing shall occur on the Date of Closing and shall be conducted by mail or overnight courier by the Title Company (as hereinafter defined), or at such other time and place as may be agreed to in writing by Seller and Purchaser. Notwithstanding the foregoing, Purchaser and Seller shall endeavor to conduct Closing by depositing (by overnight or local courier) into escrow with the Title Company all closing documents and other items in connection therewith no later than the first business day immediately prior to the Date of Closing. Purchaser and Seller agree that Closing shall not take place prior to **July 15, 2019 or later than February 28, 2020** (the “**Closing Period**”), as such Closing Period may be extended by the parties in a written amendment to this Agreement. Notwithstanding the foregoing, the Closing may take place within a reasonable time after the Closing Period in the event Seller requires additional time to complete its deliveries as described in Section 8 of this Agreement. In the event that any of the conditions set forth in Section 6 of this Agreement have not been satisfied or performed (or waived with respect to condition (i) of Section 6) on or as of February 28, 2020, Seller shall not be obligated

to take part in the Closing, and this Agreement will terminate upon notice duly given by Seller to Purchaser.

2. Ratification. Except as expressly modified herein, the terms and conditions of the Agreement shall remain unchanged and in full force and effect. The Agreement, as modified by this Second Amendment, is hereby ratified and affirmed in all respects. If anything contained in this Second Amendment conflicts with any terms of the Agreement, then the terms of this Second Amendment shall prevail.

3. Successors and Assigns. This Second Amendment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

4. Counterparts. This Second Amendment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument, and electronic and facsimile signatures shall be deemed to be original signatures and of the same force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller and Purchaser have executed this Second Amendment as of the day and year first above written.

PURCHASER:

COOL LANE APARTMENTS, LLC,
a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc.,
a Virginia corporation,
its managing member

By: _____ (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

By: Lenora G. Reid 1/31/2020 (SEAL)
Name: Lenora G. Reid
Title: Acting Chief Administrative Officer

Approved as to form:



City Attorney

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IN WITNESS WHEREOF, Seller and Purchaser have executed this Second Amendment as of the day and year first above written.

PURCHASER:

COOL LANE APARTMENTS, LLC,
a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc.,
a Virginia corporation,
its managing member

By: Allison Bogdanovic (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

By: _____ (SEAL)
Name: _____
Title: _____

Approved as to form:

City Attorney

**THIRD AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT (this “**Third Amendment**”) is made and entered into this **28th** day of **February**, **2020** by and between **COOL LANE APARTMENTS, LLC**, a Virginia limited liability company (“**Purchaser**”), and the **CITY OF RICHMOND**, a municipal corporation of the Commonwealth of Virginia (“**Seller**”).

BACKGROUND:

A. Purchaser, as successor-in-interest to Virginia Supportive Housing, a Virginia nonstock corporation, and Seller entered into that certain Purchase and Sale Agreement, dated March 13, 2019 (the “**Original Agreement**”), as amended by that certain First Amendment to Purchase and Sale Agreement, dated December 30, 2019 (the “**First Amendment**”), and as further amended by that certain Second Amendment to Purchase and Sale Agreement, dated January 31, 2020 (the “**Second Amendment**” and together with the Original Agreement and the First Amendment, the “**Agreement**”), with respect to the sale of certain real property and improvements thereon located in the City of Richmond, Virginia, and described more particularly in the Agreement.

B. The parties desire to amend the Agreement as hereinafter set forth.

C. All capitalized terms used herein without definition shall have the meanings given to the same in the Agreement.

NOW, THEREFORE, the parties hereto, in consideration of the mutual promises and covenants contained herein and in the Agreement, and intending to be legally bound hereby, agree that the Agreement is amended as follows:

1. **Closing**. Section 2.3 of the Original Agreement, as amended by the First Amendment and the Second Amendment, is hereby deleted and replaced in its entirety with the following:

2.3 **Closing**. Unless this Agreement is sooner terminated as provided in this Agreement, delivery of the Deed and the closing hereunder (the “**Closing**”) shall take place pursuant to an escrow closing on a date requested by Purchaser in a written notice to Seller (the “**Closing Notice**”), which date shall be at least fifteen (15) business days from the date of the Closing Notice (the “**Date of Closing**”). Purchaser and Seller agree that Closing pursuant to this Agreement will occur concurrently with the closing of a construction loan for the Construction and Rehabilitation (as hereinafter defined). The Closing shall occur on the Date of Closing and shall be conducted by mail or overnight courier by the Title Company (as hereinafter defined), or at such other time and place as may be agreed to in writing by Seller and Purchaser. Notwithstanding the foregoing, Purchaser and Seller shall endeavor to conduct Closing by depositing (by overnight or local courier) into escrow with the Title Company all closing documents and other items in connection therewith no later than the first business day immediately prior to the Date of Closing. Purchaser and Seller agree that Closing shall not take place prior to July 15, 2019 or later than March 31, 2020 (the “**Closing Period**”), as such Closing Period may be extended by the parties in a written amendment to this Agreement. Notwithstanding the foregoing, the Closing may take place within a reasonable time after the Closing Period in the event Seller requires additional time to complete its deliveries as described in Section 8 of this Agreement. In the event that any of the conditions set forth in Section 6 of this Agreement have not been satisfied or performed (or waived with respect to condition (i) of Section 6) on or as of March 31, 2020, Seller shall not be obligated to

take part in the Closing, and this Agreement will terminate upon notice duly given by Seller to Purchaser.

2. Ratification. Except as expressly modified herein, the terms and conditions of the Agreement shall remain unchanged and in full force and effect. The Agreement, as modified by this Third Amendment, is hereby ratified and affirmed in all respects. If anything contained in this Third Amendment conflicts with any terms of the Agreement, then the terms of this Third Amendment shall prevail.

3. Successors and Assigns. This Third Amendment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

4. Counterparts. This Third Amendment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument, and electronic and facsimile signatures shall be deemed to be original signatures and of the same force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller and Purchaser have executed this Third Amendment as of the day and year first above written.

PURCHASER:

COOL LANE APARTMENTS, LLC,
a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc.,
a Virginia corporation,
its managing member

By: Allison Bogdanovic (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

By: _____ (SEAL)
Name: _____
Title: _____

Approved as to form:

City Attorney

IN WITNESS WHEREOF, Seller and Purchaser have executed this Third Amendment as of the day and year first above written.

PURCHASER:

COOL LANE APARTMENTS, LLC,
a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc.,
a Virginia corporation,
its managing member

By: _____(SEAL)
Name: Allison Bogdanovic
Title: Executive Director

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

By: Lenora G. Reid 2/28/2020 (SEAL)
Name: Lenora G. Reid
Title: Acting Chief Administrative Officer

Approved as to form:



City Attorney

**FOURTH AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS FOURTH AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "Fourth Amendment") is made and entered into this ___ day of _____, 2020 by and between **COOL LANE APARTMENTS, LLC**, a Virginia limited liability company ("Purchaser"), and the **CITY OF RICHMOND**, a municipal corporation of the Commonwealth of Virginia ("Seller").

BACKGROUND:

A. Purchaser, as successor-in-interest to Virginia Supportive Housing, a Virginia nonstock corporation, and Seller entered into that certain Purchase and Sale Agreement, dated March 13, 2019 (the "Original Agreement"), as amended by that certain First Amendment to Purchase and Sale Agreement, dated December 30, 2019 (the "First Amendment"), as further amended by that certain Second Amendment to Purchase and Sale Agreement, dated January 31, 2020 (the "Second Amendment"), and as further amended by that certain Third Amendment to Purchase and Sale Agreement, dated February 28, 2020 (the "Third Amendment") and together with the Original Agreement, the First Amendment, and the Second Amendment, the "Agreement"), with respect to the sale of certain real property and improvements thereon located in the City of Richmond, Virginia, and described more particularly in the Agreement.

B. The parties desire to amend the Agreement as hereinafter set forth.

C. All capitalized terms used herein without definition shall have the meanings given to the same in the Agreement.

NOW, THEREFORE, the parties hereto, in consideration of the mutual promises and covenants contained herein and in the Agreement, and intending to be legally bound hereby, agree that the Agreement is amended as follows:

1. Closing. Section 2.3 of the Original Agreement, as amended by the First Amendment, the Second Amendment, and the Third Amendment, is hereby deleted and replaced in its entirety with the following:

2.3 Closing. Unless this Agreement is sooner terminated as provided in this Agreement, delivery of the Deed and the closing hereunder (the "Closing") shall take place pursuant to an escrow closing on a date requested by Purchaser in a written notice to Seller (the "Closing Notice"), which date shall be at least fifteen (15) business days from the date of the Closing Notice (the "Date of Closing"). Purchaser and Seller agree that Closing pursuant to this Agreement will occur concurrently with the closing of a construction loan for the Construction and Rehabilitation (as hereinafter defined). The Closing shall occur on the Date of Closing and shall be conducted by mail or overnight courier by the Title Company (as hereinafter defined), or at such other time and place as may be agreed to in writing by Seller and Purchaser. Notwithstanding the foregoing, Purchaser and Seller shall endeavor to conduct Closing by depositing (by overnight or local courier) into escrow with the Title Company all closing documents and other items in connection therewith no later than the first business day immediately prior to the Date of Closing. Purchaser and Seller agree that Closing shall not take place prior to July 15, 2019 or later than July 1, 2020 (the "Closing Period"), as such Closing Period may be extended by the parties in a written amendment to this Agreement. Notwithstanding the foregoing, the Closing may take place within a reasonable time after the Closing Period in the event Seller requires additional time to complete its deliveries as described in

Section 8 of this Agreement. In the event that any of the conditions set forth in Section 6 of this Agreement have not been satisfied or performed (or waived with respect to condition (i) of Section 6) on or as of July 1, 2020, Seller shall not be obligated to take part in the Closing, and this Agreement will terminate upon notice duly given by Seller to Purchaser.

2. Purchaser's Conditions Precedent to Closing. The last sentence of Section 6 of the Original Agreement is hereby deleted and replaced in its entirety with the following:

Subject to the terms of paragraph 2.3 above, if any of the conditions set forth in this Section 6 have not been satisfied or performed (or waived with respect to condition (i) of this Section 6) on or as of July 1, 2020, Purchaser shall have the right to terminate this Agreement by giving written notice to Seller on or before the Date of Closing, in which event all rights and obligations of the parties under this Agreement shall expire.

3. Ratification. Except as expressly modified herein, the terms and conditions of the Agreement shall remain unchanged and in full force and effect. The Agreement, as modified by this Fourth Amendment, is hereby ratified and affirmed in all respects. If anything contained in this Fourth Amendment conflicts with any terms of the Agreement, then the terms of this Fourth Amendment shall prevail.

4. Successors and Assigns. This Fourth Amendment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

5. Counterparts. This Fourth Amendment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument, and electronic and facsimile signatures shall be deemed to be original signatures and of the same force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller and Purchaser have executed this Fourth Amendment as of the day and year first above written.

PURCHASER:

COOL LANE APARTMENTS, LLC,
a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc.,
a Virginia corporation,
its managing member

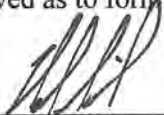
By: Allison Bogdanovic (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

By: Lenora G. Reid, CPA (SEAL)
Name: Lenora G. Reid
Title: Acting Chief Administrative Officer

Approved as to form:



City Attorney

**FIFTH AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS FIFTH AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "**Fifth Amendment**") is made and entered into this 30th day of June, 2020 by and between **COOL LANE APARTMENTS, LLC**, a Virginia limited liability company ("Purchaser"), and the **CITY OF RICHMOND**, a municipal corporation of the Commonwealth of Virginia ("Seller").

BACKGROUND:

A. Purchaser, as successor-in-interest to Virginia Supportive Housing, a Virginia nonstock corporation, and Seller entered into that certain Purchase and Sale Agreement, dated March 13, 2019 (the "**Original Agreement**"), as amended by that certain First Amendment to Purchase and Sale Agreement, dated December 30, 2019 (the "**First Amendment**"), as further amended by that certain Second Amendment to Purchase and Sale Agreement, dated January 31, 2020 (the "**Second Amendment**"), as further amended by that certain Third Amendment to Purchase and Sale Agreement, dated February 28, 2020 (the "**Third Amendment**"), and as further amended by that certain Fourth Amendment to Purchase and Sale Agreement, dated March 30, 2020 (the "**Fourth Amendment**" and together with the Original Agreement, the First Amendment, the Second Amendment, and the Third Amendment, the "**Agreement**"), with respect to the sale of certain real property and improvements thereon located in the City of Richmond, Virginia, and described more particularly in the Agreement.

B. The parties desire to amend the Agreement as hereinafter set forth.

C. All capitalized terms used herein without definition shall have the meanings given to the same in the Agreement.

NOW, THEREFORE, the parties hereto, in consideration of the mutual promises and covenants contained herein and in the Agreement, and intending to be legally bound hereby, agree that the Agreement is amended as follows:

1. **Closing**. Section 2.3 of the Original Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment, and the Fourth Amendment, is hereby deleted and replaced in its entirety with the following:

2.3 **Closing**. Unless this Agreement is sooner terminated as provided in this Agreement, delivery of the Deed and the closing hereunder (the "Closing") shall take place pursuant to an escrow closing on a date requested by Purchaser in a written notice to Seller (the "Closing Notice"), which date shall be at least fifteen (15) business days from the date of the Closing Notice (the "Date of Closing"). Purchaser and Seller agree that Closing pursuant to this Agreement will occur concurrently with the closing of a construction loan for the Construction and Rehabilitation (as hereinafter defined). The Closing shall occur on the Date of Closing and shall be conducted by mail or overnight courier by the Title Company (as hereinafter defined), or at such other time and place as may be agreed to in writing by Seller and Purchaser. Notwithstanding the foregoing, Purchaser and Seller shall endeavor to conduct Closing by depositing (by overnight or local courier) into escrow with the Title Company all closing documents and other items in connection therewith no later than the first business day immediately prior to the Date of Closing. Purchaser and Seller agree that Closing shall not take place prior to July 15, 2019 or later than December 31, 2020 (the "Closing Period"), as such Closing Period may be extended by the parties in a written amendment to this Agreement. Notwithstanding the foregoing, the Closing may take place within a reasonable time after

the Closing Period in the event Seller requires additional time to complete its deliveries as described in Section 8 of this Agreement. In the event that any of the conditions set forth in Section 6 of this Agreement have not been satisfied or performed (or waived with respect to condition (i) of Section 6) on or as of December 31, 2020, Seller shall not be obligated to take part in the Closing, and this Agreement will terminate upon notice duly given by Seller to Purchaser.

2. **Purchaser's Conditions Precedent to Closing.** The last sentence of Section 6 of the Original Agreement, as amended by the Fourth Amendment, is hereby deleted and replaced in its entirety with the following:

Subject to the terms of paragraph 2.3 above, if any of the conditions set forth in this Section 6 have not been satisfied or performed (or waived with respect to condition (i) of this Section 6) on or as of December 31, 2020, Purchaser shall have the right to terminate this Agreement by giving written notice to Seller on or before the Date of Closing, in which event all rights and obligations of the parties under this Agreement shall expire.

3. **Subordination Agreement.** Seller shall subordinate any right, remedy, title, estate and interest in and to the Property arising as a result of the reversionary interest expressed by the reverter clause in the Deed to the lien of Purchaser's construction lender. Seller shall deliver a subordination agreement (the "Subordination Agreement") with terms substantially similar to the Subordination Agreement attached hereto as Exhibit A and delivered by Seller as part of the Church Hill North Phase 1B project, but with revisions as necessary to reflect the conditions in the Deed as described in Section 8.1(a) of the Original Agreement. If Purchaser's construction financing is closing simultaneously with the acquisition of the Property on the Date of Closing, Seller shall execute and deliver the Subordination Agreement as a Closing delivery. If Purchaser's construction financing is closing after the Date of Closing, Seller's obligation to execute and deliver the Subordination Agreement shall be a post-Closing obligation, which shall survive Closing and recordation of the Deed.

4. **Ratification.** Except as expressly modified herein, the terms and conditions of the Agreement shall remain unchanged and in full force and effect. The Agreement, as modified by this Fifth Amendment, is hereby ratified and affirmed in all respects. If anything contained in this Fifth Amendment conflicts with any terms of the Agreement, then the terms of this Fifth Amendment shall prevail.

5. **Successors and Assigns.** This Fifth Amendment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

6. **Counterparts.** This Fifth Amendment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument, and electronic and facsimile signatures shall be deemed to be original signatures and of the same force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller and Purchaser have executed this Fifth Amendment as of the day and year first above written.

PURCHASER:

COOL LANE APARTMENTS, LLC,
a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc.,
a Virginia corporation,
its managing member

By: Allison Bogdanovic (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

By: [Signature] on behalf of (SEAL)
Name: Lenora G. Reid
Title: Acting Chief Administrative Officer

Approved as to form:

[Signature]
City Attorney

EXHIBIT A

PG0771 OCT-9 2018

5

RECORD AND RETURN TO:

NCS 697910D

18-20797

First American Title Insurance Company
National Commercial Services
9011 Arboretum Parkway, Suite 178
Richmond, VA 23234

M-2:39

SUBORDINATION AGREEMENT

among

THE CITY OF RICHMOND

CHURCH HILL NORTH PHASE 1B LLC

and

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

Dated: October 5, 2018

Location: Church Hill North Senior 1B
3200 North Rabza Boulevard
City of Richmond
Commonwealth of Virginia

Tax Map Nos. E0001093002 and E0001093003

SUBORDINATION AGREEMENT

This Subordination Agreement (this "Agreement") is made as of the 4th day of October, 2018 (the "Effective Date") among THE CITY OF RICHMOND, a municipal corporation of the Commonwealth of Virginia (the "City"), CHURCH HILL NORTH PHASE 1B LLC, a Virginia limited liability company (the "Tenant") and RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision of the Commonwealth of Virginia (together with its successors and assigns, the "Leasehold Mortgagee").

WITNESSETH:

A. The City by a Quit Claim Deed dated January 23, 2017 and recorded in the Clerk's Office of the City of Richmond on January 26, 2017 as Document No. 17-1669 (the "City Deed") granted and conveyed certain parcels of land located in the City of Richmond, Virginia (the "Property") to Richmond Redevelopment and Housing Authority, a political subdivision of the Commonwealth of Virginia (the "Landlord").

B. The City Deed provides that if the Property is not constructed and developed as an affordable housing development initially financed in part with an allocation of low-income housing tax credits provided through the Virginia Housing Development Authority title to the Property is subject to a reversionary interest in favor of the City (the "Right of Reversion").

C. The Landlord conveyed a leasehold interest in a portion of the Property known as the Phase 1B property (the "Phase 1B Property") to the Tenant as more particularly described on Exhibit A annexed hereto by Deed of Ground Lease dated as of October 5, 2018 (the "Ground Lease"), which Ground Lease has a ninety-nine (99) year term and restricts the use of the Phase 1B Property to developing and providing senior housing and constructing a building containing 45 multi-family housing units and related improvements known as Church Hill North Phase 1B (the "Project").

D. In addition to funding provided by the allocation of low-income housing tax credits to RBC Tax Credit Equity, LLC (or an affiliate, successor or assign thereof) ("RBC") the Tenant has obtained financing from the Leasehold Mortgagee for the acquisition of its leasehold estate in the Property and the construction of the Project thereon, which financing is secured by a Leasehold Deed of Trust, Assignment of Rents and Security Agreement securing the principal sum of \$5,600,000 (such financing and any permanent financing used to repay such construction financing that is also secured by a lien on Tenant's leasehold interest in the Phase 1B Property is hereafter referred to as the "Leasehold Mortgage").

E. The allocation of the tax credits to RBC and the financing by the Leasehold Mortgagee are subject to the City executing this Agreement.

NOW, THEREFORE, in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and with the intent

to be legally bound hereby, the City hereby stipulates, covenants and agrees with the Tenant and Leasehold Mortgagee as follows:

1. **Forbearance.** The City agrees that it will not exercise its Right of Reversion against the Property, and Landlord will remain the fee owner of the Property, (i) so long as Tenant is in compliance with the affordability requirements under that certain Extended Use Regulatory Agreement and Declaration of Restrictive Covenants (the "Extended Use Agreement") by and between the Tenant and the Virginia Housing Development Authority ("VHDA") dated and recorded with the Clerk's Office of the City of Richmond, Virginia, on or about the Effective Date, for the full term thereof; or (ii) after the termination of the Extended Use Agreement, so long as the Property continues to be used as an affordable housing development (as defined by the Extended Use Agreement); provided, however, that in the event the City determines that Tenant is not in compliance with such requirements, the City may exercise its Right of Reversion if (a) it has given written notice (the "Notice") to the Tenant and RBC and (collectively, the "Tenant Parties") and any commercial or governmental holders of a lien on Tenant's leasehold interest in the Phase 1B Property securing one or more loans to the Tenant (collectively, the "Lenders", and with the Tenant Parties, the "Interested Parties") of its intention to exercise its Right of Reversion as the result of such noncompliance, and (b) an Interested Party has not cured such noncompliance within 60 days after receipt of the Notice or, if the cure reasonably requires more than 60 days, such Interested Party has not commenced to cure such noncompliance within such period of 60 days and thereafter diligently and continuously prosecuted such cure to completion. By virtue of the foregoing, the City does not waive any rights or remedies it may have under the City Deed, but merely agrees not to enforce those rights or remedies for so long as the Tenant is in compliance with this paragraph 1.

2. **Certificate of Completion.** The City agrees to promptly request that the City Council of the City of Richmond authorize the Chief Administrative Officer, for and on behalf of the City, to execute and deliver to the Tenant a Certificate of Completion with respect to the Leased Property in recordable form to be recorded by the Tenant.

3. **Subordination.** The City agrees and does hereby subordinate any right, remedy, title, estate and interest in and to the Phase 1B Property arising as a result of its Right of Reversion to the lien of the Leasehold Mortgage. Without limiting the generality of the foregoing, if title becomes vested in the City, its successor or assigns as a result of the exercise of the Right of Reversion, such title shall be subject and subordinate to the lien of the Leasehold Mortgage.

4. **Foreclosure.** The City further agrees that if the Leasehold Mortgagee, its successors and assigns, shall initiate foreclosure or other proceedings under the Leasehold Mortgage that results in the Tenant being divested of its leasehold interest in the Phase 1B Property, the City will give the Leasehold Mortgagee one year from the date of foreclosure to comply with the conditions set forth in the City Deed applicable to the Phase 1B Property before the City exercises its Right of Reversion.

5. **Notices.** Any notices given pursuant to this Agreement shall be in writing and shall be delivered by hand or sent by certified mail, postage prepaid and return receipt requested, or a nationally recognized overnight delivery service. Notices will be deemed to have been received

by the party to whom it is sent, if hand delivered, upon delivery, if mailed, three (3) business days after deposit with the U. S. Postal Service, and if overnight delivery, upon delivery.

If to the City:

The City of Richmond:

**Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219**

With a copy to:

**Richmond City Attorney's Office
900 East Broad Street, Room 400
Richmond, Virginia 23219**

If to the Tenant:

**Church Hill North Phase 1B LLC
c/o The Community Builders, Inc.
1003 K Street, NW, Suite 700
Washington, DC 20001
Phone: (202) 552-2500
Attention: Director of Development**

With copies to:

**The Community Builders, Inc.
185 Dartmouth Street
Boston, Massachusetts 02116
Attention: General Counsel
Phone: (617) 695-9595**

**Klein Hornig LLP
1325 G Street NW, Suite 770
Washington, DC 20005
Attention: Erik T. Hoffman, Esq.**

**RBC Tax Credit Equity LLC
600 Superior Avenue, Suite 2300
Cleveland, Ohio 44114**

Attention: President and General Counsel

and

Nixon Peabody LLP
100 Summer Street
Boston, Massachusetts 02110
Attention: Roger W. Holmes, Esq.

If to the Leasehold Mortgagee:

Richmond Redevelopment and Housing Authority
901 Chamberlayne Parkway
Richmond, Virginia 23220
Attention: Chief Executive Officer

With copies to:

JPMorgan Chase Bank, N.A.
Legal Department
4 New York Plaza, 21st Floor
Mail Code: NY1-B089
New York, New York 10004-2413
Attention: Michael R. Zients, Executive Director
and Assistant General Counsel

and

JPMorgan Chase Bank, N.A.
Community Development Banking
10 South Dearborn Street
Mail Code: IL1-0953
Chicago, Illinois 60660
Attention: John D. Bernhard, Executive Director

6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia

7. Severability. If any term, covenant or provision of this Agreement shall be held to be invalid, illegal or unenforceable in any respect, this Agreement shall be construed without such term, covenant or provision.

8 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall constitute one and the same instrument.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

CITY OF RICHMOND, a municipal corporation
of the Commonwealth of Virginia

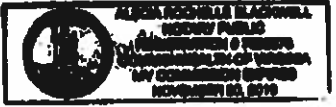
By: Lenora J. Reid

COMMONWEALTH OF VIRGINIA

CITY OF RICHMOND, to wit:

The foregoing instrument was acknowledged before me this 4th day of October, 2018 by Alissa R. Blackwell as Executive Assistant of the City of Richmond, a municipal corporation of the Commonwealth of Virginia, on behalf of such entity.

Alissa R. Blackwell
Notary Public



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

BORROWER: CHURCH HILL NORTH PHASE 1B LLC, a Virginia limited liability company

By: Church Hill North Phase 1B MM LLC
a Virginia limited liability company
its managing member

By: *J Powell*
Name: Juan Powell
Title: Authorized Agent

State of Maryland
~~COMMONWEALTH OF VIRGINIA~~
[CITY] [COUNTY] OF Baltimore to wit:

The foregoing instrument was acknowledged before me, this 21 day of September, 2018, by Juan Powell, Authorized Agent of Church Hill North Phase 1B MM LLC, managing member of Church Hill North Phase 1B LLC, a Virginia limited liability company, on its behalf. He/she is personally known to me or has presented satisfactory identification to me.

(SEAL)

Aspasia Xypolia
Notary Public

My Commission Expires: May 7, 2022
Registration No.: N/A

ASPASIA XYPOLIA
Notary Public-Maryland
Baltimore City
My Commission Expires
May 07, 2022

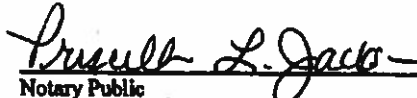
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision of the Commonwealth of Virginia

By: 
Orlando C. Artze
Interim Chief Executive Officer

COMMONWEALTH OF VIRGINIA

CITY OF RICHMOND, to wit:

The foregoing instrument was acknowledged before me this 26th day of September, 2018 by Orlando C. Artze, as Interim Chief Executive Officer of the Richmond Redevelopment and Housing Authority, a political subdivision of the Commonwealth of Virginia, on behalf of such entity.


Notary Public

Notarial Registration No: 326395

My Commission Expires: April 30, 2021

[SEAL]



[Signature Page to Subordination Agreement]

Exhibit A

Legal Description

ALL those certain lots, pieces or parcels of land lying and being in the City of Richmond, Virginia shown and designated as Lots 24 and 25, on subdivision plat prepared by H&B Surveying and Mapping, LLC, entitled, "FINAL PLAT OF CHURCH HILL NORTH SUBDIVISION 7th DISTRICT CITY OF RICHMOND, VIRGINIA", recorded January 16, 2018, as Instrument No. 180000781.

INSTRUMENT 180020797
RECORDED IN THE CLERK'S OFFICE OF
RICHMOND CITY CIRCUIT COURT ON
October 9, 2018 AT 02:39 PM
EDWARD F. JEWETT, CLERK
RECORDED BY: JRO

[Signature Page to Subordination Agreement]

**SIXTH AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS SIXTH AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "**Sixth Amendment**") is made and entered into this 30th day of December, 2020 by and between **COOL LANE APARTMENTS, LLC**, a Virginia limited liability company ("Purchaser"), and the **CITY OF RICHMOND**, a municipal corporation of the Commonwealth of Virginia ("Seller").

BACKGROUND:

A. Purchaser, as successor-in-interest to Virginia Supportive Housing, a Virginia nonstock corporation, and Seller entered into that certain Purchase and Sale Agreement, dated March 13, 2019 (the "**Original Agreement**"), as amended by that certain First Amendment to Purchase and Sale Agreement, dated December 30, 2019 (the "**First Amendment**"), as further amended by that certain Second Amendment to Purchase and Sale Agreement, dated January 31, 2020 (the "**Second Amendment**"), as further amended by that certain Third Amendment to Purchase and Sale Agreement, dated February 28, 2020 (the "**Third Amendment**"), as further amended by that certain Fourth Amendment to Purchase and Sale Agreement, dated March 30, 2020 (the "**Fourth Amendment**"), and as further amended by that certain Fifth Amendment to Purchase and Sale Agreement, dated June 30, 2020 (the "**Fifth Amendment**") and together with the Original Agreement, the First Amendment, the Second Amendment, the Third Amendment, and the Fourth Amendment, the "**Agreement**"), with respect to the sale of certain real property and improvements thereon located in the City of Richmond, Virginia, and described more particularly in the Agreement.

B. The parties desire to amend the Agreement as hereinafter set forth.

C. All capitalized terms used herein without definition shall have the meanings given to the same in the Agreement.

NOW, THEREFORE, the parties hereto, in consideration of the mutual promises and covenants contained herein and in the Agreement, and intending to be legally bound hereby, agree that the Agreement is amended as follows:

1. **Closing**. Section 2.3 of the Original Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, and the Fifth Amendment, is hereby deleted and replaced in its entirety with the following:

2.3 **Closing**. Unless this Agreement is sooner terminated as provided in this Agreement, delivery of the Deed and the closing hereunder (the "Closing") shall take place pursuant to an escrow closing on a date requested by Purchaser in a written notice to Seller (the "Closing Notice"), which date shall be at least fifteen (15) business days from the date of the Closing Notice (the "Date of Closing"). Purchaser and Seller agree that Closing pursuant to this Agreement will occur concurrently with the closing of a construction loan for the Construction and Rehabilitation (as hereinafter defined). The Closing shall occur on the Date of Closing and shall be conducted by mail or overnight courier by the Title Company (as hereinafter defined), or at such other time and place as may be agreed to in writing by Seller and Purchaser. Notwithstanding the foregoing, Purchaser and Seller shall endeavor to conduct Closing by depositing (by overnight or local courier) into escrow with the Title Company all closing documents and other items in connection therewith no later than the first business day immediately prior to the Date of Closing. Purchaser and Seller agree that Closing shall not take place prior to July 15, 2019 or later than June 30, 2021 (the "**Closing Period**"), as such Closing Period may be extended by the parties in a written amendment to this Agreement. Notwithstanding the

foregoing, the Closing may take place within a reasonable time after the Closing Period in the event Seller requires additional time to complete its deliveries as described in Section 8 of this Agreement. In the event that any of the conditions set forth in Section 6 of this Agreement have not been satisfied or performed (or waived with respect to condition (i) of Section 6) on or as of June 30, 2021, Seller shall not be obligated to take part in the Closing, and this Agreement will terminate upon notice duly given by Seller to Purchaser.

2. Purchaser's Conditions Precedent to Closing. The last sentence of Section 6 of the Original Agreement, as amended by the Fourth Amendment and the Fifth Amendment, is hereby deleted and replaced in its entirety with the following:

Subject to the terms of paragraph 2.3 above, if any of the conditions set forth in this Section 6 have not been satisfied or performed (or waived with respect to condition (i) of this Section 6) on or as of June 30, 2021, Purchaser shall have the right to terminate this Agreement by giving written notice to Seller on or before the Date of Closing, in which event all rights and obligations of the parties under this Agreement shall expire.

3. Ratification. Except as expressly modified herein, the terms and conditions of the Agreement shall remain unchanged and in full force and effect. The Agreement, as modified by this Sixth Amendment, is hereby ratified and affirmed in all respects. If anything contained in this Sixth Amendment conflicts with any terms of the Agreement, then the terms of this Sixth Amendment shall prevail.

4. Successors and Assigns. This Sixth Amendment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

5. Counterparts. This Sixth Amendment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument, and electronic and facsimile signatures shall be deemed to be original signatures and of the same force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller and Purchaser have executed this Sixth Amendment as of the day and year first above written.

PURCHASER:

COOL LANE APARTMENTS, LLC,
a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc.,
a Virginia corporation,
its managing member


By: Allison Bogdanovic (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

By: Lincoln Saunders (SEAL)
Name: Lincoln Saunders
Title: Acting Chief Administrative Officer

Approved as to form:



City Attorney

**SEVENTH AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS SEVENTH AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "Seventh Amendment") is made and entered into this 16th day of March, 2021 by and between **COOL LANE APARTMENTS, LLC**, a Virginia limited liability company ("Purchaser"), and the **CITY OF RICHMOND**, a municipal corporation of the Commonwealth of Virginia ("Seller").

BACKGROUND:

A. Purchaser, as successor-in-interest to Virginia Supportive Housing, a Virginia nonstock corporation, and Seller entered into that certain Purchase and Sale Agreement, dated March 13, 2019 (the "Original Agreement"), as amended by that certain First Amendment to Purchase and Sale Agreement, dated December 30, 2019 (the "First Amendment"), as further amended by that certain Second Amendment to Purchase and Sale Agreement, dated January 31, 2020 (the "Second Amendment"), as further amended by that certain Third Amendment to Purchase and Sale Agreement, dated February 28, 2020 (the "Third Amendment"), as further amended by that certain Fourth Amendment to Purchase and Sale Agreement, dated March 30, 2020 (the "Fourth Amendment"), and as further amended by that certain Fifth Amendment to Purchase and Sale Agreement, dated June 30, 2020 (the "Fifth Amendment"), as further amended by that certain Sixth Amendment to Purchase and Sale Agreement, dated December 30, 2020 (the "Sixth Amendment" and together with the Original Agreement, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, and the Fifth Amendment, the "Agreement"), with respect to the sale of certain real property and improvements thereon located in the City of Richmond, Virginia, and described more particularly in the Agreement.

B. The parties desire to amend the Agreement as hereinafter set forth.

C. All capitalized terms used herein without definition shall have the meanings given to the same in the Agreement.

NOW, THEREFORE, the parties hereto, in consideration of the mutual promises and covenants contained herein and in the Agreement, and intending to be legally bound hereby, agree that the Agreement is amended as follows:

1. Closing. Section 2.3 of the Original Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, and the Sixth Amendment, is hereby deleted and replaced in its entirety with the following:

2.3 Closing. Unless this Agreement is sooner terminated as provided in this Agreement, delivery of the Deed and the closing hereunder (the "Closing") shall take place pursuant to an escrow closing on a date requested by Purchaser in a written notice to Seller (the "Closing Notice"), which date shall be at least fifteen (15) business days from the date of the Closing Notice (the "Date of Closing"). Purchaser and Seller agree that Closing pursuant to this Agreement will occur concurrently with the closing of a construction loan for the Construction and Rehabilitation (as hereinafter defined). The Closing shall occur on the Date of Closing and shall be conducted by mail or overnight courier by the Title Company (as hereinafter defined), or at such other time and place as may be agreed to in writing by Seller and Purchaser. Notwithstanding the foregoing, Purchaser and Seller shall endeavor to conduct Closing by depositing (by overnight or local courier) into escrow with the Title Company all closing documents and other items in connection therewith no later than the first business day immediately prior to the Date of Closing. Purchaser and Seller agree that Closing shall not take place prior to July 15,

2019 or later than July 30, 2021 (the “Closing Period”), as such Closing Period may be extended by the parties in a written amendment to this Agreement. Notwithstanding the foregoing, the Closing may take place within a reasonable time after the Closing Period in the event Seller requires additional time to complete its deliveries as described in Section 8 of this Agreement. In the event that any of the conditions set forth in Section 6 of this Agreement have not been satisfied or performed (or waived with respect to condition (i) of Section 6) on or as of July 30, 2021, Seller shall not be obligated to take part in the Closing, and this Agreement will terminate upon notice duly given by Seller to Purchaser.

2. Purchaser’s Conditions Precedent to Closing. The last sentence of Section 6 of the Original Agreement, as amended by the Fourth Amendment and the Fifth Amendment, is hereby deleted and replaced in its entirety with the following:

Subject to the terms of paragraph 2.3 above, if any of the conditions set forth in this Section 6 have not been satisfied or performed (or waived with respect to condition (i) of this Section 6) on or as of July 30, 2021, Purchaser shall have the right to terminate this Agreement by giving written notice to Seller on or before the Date of Closing, in which event all rights and obligations of the parties under this Agreement shall expire.

3. Ratification. Except as expressly modified herein, the terms and conditions of the Agreement shall remain unchanged and in full force and effect. The Agreement, as modified by this Seventh Amendment, is hereby ratified and affirmed in all respects. If anything contained in this Seventh Amendment conflicts with any terms of the Agreement, then the terms of this Seventh Amendment shall prevail.

4. Successors and Assigns. This Seventh Amendment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

5. Counterparts. This Seventh Amendment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument, and electronic and facsimile signatures shall be deemed to be original signatures and of the same force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller and Purchaser have executed this Seventh Amendment as of the day and year first above written.

PURCHASER:

COOL LANE APARTMENTS, LLC,
a Virginia limited liability company

By: Cool Lane Apartments Development Corporation, Inc.,
a Virginia corporation,
its managing member

By: Allison Bogdanovic (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

SELLER:

CITY OF RICHMOND,
a municipal corporation of the Commonwealth of Virginia

By: Lincoln Saunders (SEAL)
Name: J. E. Lincoln Saunders
Title: Acting Chief Administrative Officer

Approved as to form:



City Attorney



**COUNTY OF HENRICO - FINANCE DEPARTMENT
REAL ESTATE ASSESSMENT DIVISION**

Address: 4301 E. Parham Rd
Henrico, VA 23273-2745
Phone: 804-501-4300
Fax: 804-501-5420

Base Information

Parcel ID	799-726-0294	Parcel Address	1900 COOL LN
Vision PID #	79797	Appraiser	D
State Code	Exempt Local	Neighborhood	09901 - Apartments
Use Code	344 Office	Acreage	5.34
Tax Type	Exempt	Owner (Jan 1)	CITY OF RICHMOND
Zoning	R-6C	Owner (Cur)	CITY OF RICHMOND
Tax Dist	Regular	Mailing Address	900 E BROAD ST ROOM 300 RICHMOND VA
Magisterial	Fairfield	Zip	23219-1907
Subdivision	Acreage	Old Map #	01390A0000 0003
Section		Pre 1992 Map #	1 A2 8
Block		Map Page #	221
Lot	5.34 acres		

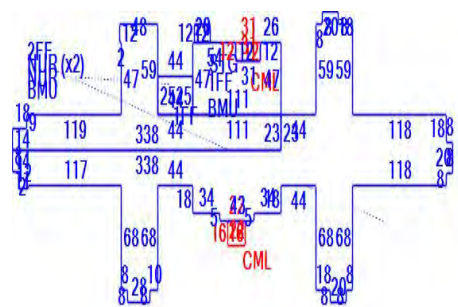
Image



Last Photo Update 04/03/2017

Commercial Information

Building Name	Bldg #	Type	Section	Year Built	Stories	Height	Occupancy	Sqft
VACANT BUILDING	1	Occ 1	1	1977	2	12	313 - Convalescent Hospital	90,407
VACANT BUILDING	1	Occ 1	2 - Basement	1977	1	10	331 - Hospital	15,195
Report Total:								105,602



Last Transfer

Sale Date	Sale Price	Deed Book	Page	Previous Owner	Sale Comment
09/16/2009	\$0	4692	1736	HOSPITAL AUTHORITY OF RIC	Non-Qualified

Current Assessment

Year	Date	Land	Land Use	Improvements	Total
2021	01/28/2021	\$575,000		\$1,436,800	\$2,011,800

Extras, Features and Outbuildings

Type	Description	Units/Area
Extra	240 SF STORAGE	1
Extra	Site Imp (5.34 Ac)	1
Feature	Malls-Covered	724

Sketch Details

Code	Desc	Gross
1FF	1st FI Finished	5,945
2FF	2nd FI Finished	29,181
BMU	Basement Unfinished	15,195
CML	Covered Mall	724
NUR	Nursing Home	49,881
STG	Storage (comm)	240

Land Information

Type	# Units	Unit Type	Sqft	Zoning
G4	10	UT	0	R-6C
G4	105	UT	0	R-6C

Notes

3/12/19 REZ2019-00002 APPROVED TO CONDITIONALLY REZONE FROM A-1 TO R-6C A 5.34 ACRE SITE. REDEVELOPMENT OF THE VACANT STRUCTURE INTO A MULTI-FAMILY DEVELOPMENT WITH NO MORE THAN 105 RESIDENTIAL DWELLING UNITS AND OFFICE SPACE IS PROPOSED. ALSO PROVISIONAL USE PERMIT PUP2019-00001 APPROVED TO ALLOW UP TO 10,000 SQUARE FEET OF OFFICE SPACE IN A MULTI-FAMILY STRUCTURE

- 1) City of Richmond Nursing Home aka Seven Hills Health Care Center (licensed for 169 beds)
- 2) 9/25/01 POD 88-76 admin approved to construct a sunroom and patio addition
- 3) 1/27/03 Building Permit 2001-00808: 1,100sf dining room addition.
- 4) Nursing home closed after losing Medicaid and Medicare eligibility due to management issues. Last residents were to be relocated by 1/14/08.

Map



Legal Disclaimer: Non-confidential real estate assessment records are public information under Virginia law, and Internet display of non-confidential property information is specifically authorized by Virginia Code 58.1-3122.2. While the Real Estate Division has worked to ensure that the assessment data contained herein is accurate, Henrico County assumes no liability for any errors, omissions, or inaccuracies in the information provided or for any reliance on any maps or data provided herein. Please consult County records in the Real Estate Division for official information.

Click [Real_Estate_Comments](#) to submit comments or corrections.


**COUNTY OF HENRICO - FINANCE DEPARTMENT
REAL ESTATE ASSESSMENT DIVISION**
Address: 4301 E. Parham Rd
Henrico, VA 23273-2745
Phone: 804-501-4300
Fax: 804-501-5420

Parcel Information
Parcel ID 799-726-0294 **Parcel Address** 1900 COOL LN

Transfer History

Sale Date	Sale Price	Deed Book	Page	Sale Comment	Previous Owner
09/16/2009	\$0	4692	1736	Non-Qualified	HOSPITAL AUTHORITY OF RIC
07/01/1993	\$0	2440	1809	Non-Qualified	CITY OF RICHMOND
12/01/1976	\$3,157,000	0000	0000		

Assessment Information

Year	Date	Land	Land Use	Improvements	Total
2021	01/28/2021	\$575,000		\$1,436,800	\$2,011,800
2020	01/29/2020	\$575,000		\$1,410,700	\$1,985,700
2019	01/29/2019	\$756,000		\$2,096,900	\$2,852,900
2018	01/30/2018	\$756,000		\$1,998,500	\$2,754,500
2017	01/31/2017	\$756,000		\$2,020,300	\$2,776,300
2016	01/29/2016	\$756,000		\$1,988,400	\$2,744,400
2015	02/02/2015	\$756,000		\$1,972,000	\$2,728,000
2014	01/30/2014	\$756,000		\$2,528,000	\$3,284,000
2013	02/05/2013	\$756,000		\$2,437,600	\$3,193,600
2012	02/17/2012	\$697,800		\$4,390,500	\$5,088,300
2011	03/10/2011	\$697,800		\$4,390,500	\$5,088,300
2010	01/28/2010	\$697,800		\$4,390,500	\$5,088,300
2009	01/07/2009	\$697,800		\$4,483,700	\$5,181,500
2008	01/23/2008	\$697,800		\$6,445,100	\$7,142,900
2007	01/25/2007	\$697,800		\$5,947,700	\$6,645,500
2006	12/28/2005	\$348,900		\$5,570,100	\$5,919,000
2005	02/28/2005	\$348,900		\$5,020,500	\$5,369,400
2004	12/24/2003	\$348,900		\$4,715,900	\$5,064,800
2003	02/04/2003	\$232,600		\$4,539,500	\$4,772,100
2002	03/29/2001	\$182,200		\$5,633,500	\$5,815,700
2001	04/19/2000	\$182,200		\$5,633,500	\$5,815,700
2000	03/22/1999	\$182,200		\$5,633,500	\$5,815,700
1999	04/08/1998	\$182,200		\$5,633,500	\$5,815,700
1998	04/21/1997	\$182,200		\$5,633,500	\$5,815,700
1997	01/01/1997	\$182,200		\$5,633,500	\$5,815,700
1996	01/01/1996	\$182,200		\$5,633,500	\$5,815,700
1995	01/01/1995	\$182,200		\$5,633,500	\$5,815,700
1994	01/01/1994	\$182,200		\$5,633,500	\$5,815,700
1993	01/01/1993	\$182,200		\$5,633,500	\$5,815,700
1992	01/01/1992	\$182,200		\$5,633,500	\$5,815,700

Legal Disclaimer: Non-confidential real estate assessment records are public information under Virginia law, and Internet display of non-confidential property information is specifically authorized by Virginia Code 58.1-3122.2. While the Real Estate Division has worked to ensure that the assessment data contained herein is accurate, Henrico County assumes no liability for any errors, omissions, or inaccuracies in the information provided or for any reliance on any maps or data provided herein. Please consult County records in the Real Estate Division for official information.

Click [Real_Estate_Comments](#) to submit comments or corrections.

Property: 2011 Mechanicsville Tpke **Parcel ID:** E0120146002

Parcel

Street Address: 2011 Mechanicsville Tpke Richmond, VA 23223-
Owner: CITY OF RICHMOND RICHMOND NURSING HEALTH
Mailing Address: 1900 COOL LANE, RICHMOND, VA 2322300000
Subdivision Name : NONE
Parent Parcel ID:
Assessment Area: 425 - Church Hill
Property Class: 406 - B Paved Surface Parking
Zoning District: B-2 - Business (Community Business)
Exemption Code: 100 - General Government(Inside of Corp. Limits)

Current Assessment

Effective Date: 01/01/2021
Land Value: \$158,000
Improvement Value: \$14,000
Total Value: \$172,000
Area Tax: \$0
Special Assessment District: None

Land Description

Parcel Square Feet: 16552.8
Acreage: 0.38
Property Description 1: 0126.68X0129.08 IRG0000.386 AC
State Plane Coords(?): X= 11798639.500033 Y= 3727111.305967
Latitude: 37.55405771 , **Longitude:** -77.41084668

Description

Land Type: Primary Commercial/Indust Land
Topology:
Front Size: 126
Rear Size: 129
Parcel Square Feet: 16552.8
Acreage: 0.38
Property Description 1: 0126.68X0129.08 IRG0000.386 AC
Subdivision Name : NONE
State Plane Coords(?): X= 11798639.500033 Y= 3727111.305967
Latitude: 37.55405771 , **Longitude:** -77.41084668

Other

Street improvement:
Sidewalk:

Assessments

Assessment Year	Land Value	Improvement Value	Total Value	Reason
2021	\$158,000	\$14,000	\$172,000	Reassessment
2020	\$158,000	\$14,000	\$172,000	Reassessment
2019	\$158,000	\$14,000	\$172,000	Reassessment
2018	\$149,000	\$14,000	\$163,000	Reassessment
2017	\$149,000	\$14,000	\$163,000	Reassessment
2016	\$149,000	\$14,000	\$163,000	Reassessment
2015	\$164,000	\$15,000	\$179,000	Reassessment
2014	\$50,000	\$15,000	\$65,000	Reassessment
2013	\$50,000	\$15,000	\$65,000	Reassessment
2012	\$50,000	\$15,000	\$65,000	Reassessment
2011	\$55,000	\$15,000	\$70,000	CarryOver
2010	\$55,000	\$15,000	\$70,000	Reassessment
2009	\$55,000	\$15,000	\$70,000	Reassessment
2008	\$55,000	\$0	\$55,000	Reassessment
2007	\$53,400	\$0	\$53,400	Reassessment
2006	\$46,400	\$0	\$46,400	Reassessment
2005	\$44,200	\$0	\$44,200	Reassessment

Transfers

Transfer Date	Consideration Amount	Grantor Name	Deed Reference	Verified Market Sale Description
12/22/1976	\$3,157,000	Not Available	00715-1597	

Planning

Master Plan Future Land Use: COMM-MU
Zoning District: B-2 - Business (Community Business)
Planning District: East
Traffic Zone: 1027
City Neighborhood Code: EVW
City Neighborhood Name: Eastview
Civic Code:
Civic Association Name:
Subdivision Name: NONE
City Old and Historic District:
National historic District:
Neighborhoods in Bloom:
Redevelopment Conservation Area:

Economic Development

Care Area: -
Enterprise Zone:

Environment

100 YEAR Flood Plain Flag: Contact the Water Resources Division at 646-7586.
500 YEAR Flood Plain Flag: N
Resource Protection Flag: Contact the Water Resources Division at 646-7586.
Wetland Flag: N

Census

Census Year	Block	Block Group	Tract
2000	2007	0202002	020200
1990	224	0202002	020200

Schools

Elementary School: Fairfield Court
Middle School: Martin Luther King Jr
High School: Armstrong

Public Safety

Police Precinct: 1
Police Sector: 113
Fire District: 11
Dispatch Zone: 104A

Public Works Schedules

Street Sweep: TBD
Leaf Collection: TBD
Refuse Collection: Thursday
Bulk Collection: TBD

Government Districts

Council District: 6
Voter Precinct: 602
State House District: 71
State Senate District: 9
Congressional District: 4

Extension 1 Details

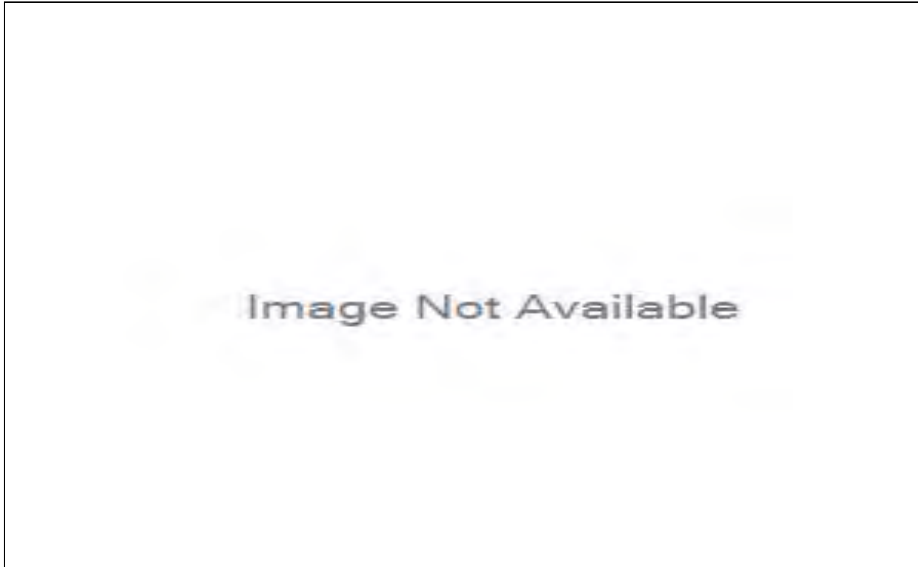
Extension Name: C01 - Parking for R0000025001
Year Built: 1978
Stories: 0
Units: 0
Number Of Rooms: 0
Number Of Bed Rooms: 0
Number Of Full Baths: 0
Number Of Half Baths: 0
Condition: normal for age
Foundation Type:
1st Predominant Exterior:
2nd Predominant Exterior: N/A
Roof Style:
Roof Material:
Interior Wall:
Floor Finish:
Heating Type:
Central Air: N
Basement Garage Car #: 0
Fireplace: N
**Building Description (Out Building and Paving
Yard Items) :**

Extension 1 Dimensions

Finished Living Area: 0 Sqft
Attic: 0 Sqft
Finished Attic: 0 Sqft
Basement: 0 Sqft
Finished Basement: 0 Sqft
Attached Garage: 0 Sqft
Detached Garage: 0 Sqft
Attached Carport: 0 Sqft
Enclosed Porch: 0 Sqft
Open Porch: 0 Sqft
Deck: 0 Sqft

Property Images

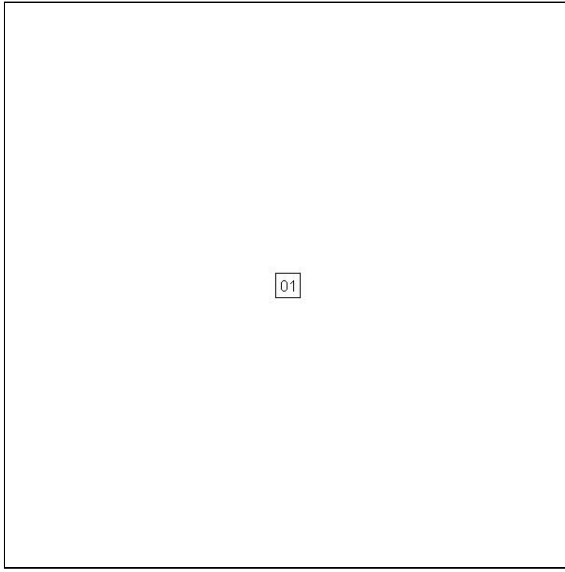
Name: Desc:



[Click here for Larger Image](#)

Sketch Images

Name:E0120146002 Desc:C01



F

Third-Party RESNET
Rater Certification
(MANDATORY)



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.

TRUE 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.

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

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

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

FALSE Enterprise Green Communities - The developmen's design meets the criteria for meeting 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**

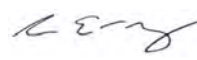
Signed: 

Date: 03.08.21

Printed Name: Matt Waring

RESNET Rater

Resnet Provider Agency
Viridian

Signature 

Provider Contact and Phone/Email Sean Evensen-Shanley sean.evensen-shanley@viridian.org (804) 225-9843



Project Name: Cool Lane
Construction Type: Adaptive Reuse
Energy Efficiency Path: HERS 95 or better

Unit Type	Quantity	HERS
Unit Type T	2	57
Unit Type U	2	58
Unit Type V	4	57
Unit Type W	1	57
Unit Type X - Studio	6	52
Unit Type Y	4	59
Unit Type Z	68	55
Projected Project HERS - Weighted Average		55

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13
 Registry ID:
 Ekotrope ID: ILVI37Pv

HERS® Index Score:

57

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

Annual Savings

\$597

*Relative to an average U.S. home

Home:
 1900 Cool Lane
 Richmond, VA 23223

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.0	\$134
Cooling	1.1	\$38
Hot Water	1.0	\$33
Lights/Appliances	11.3	\$374
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	17.5	\$659

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1

Rating Completed by:

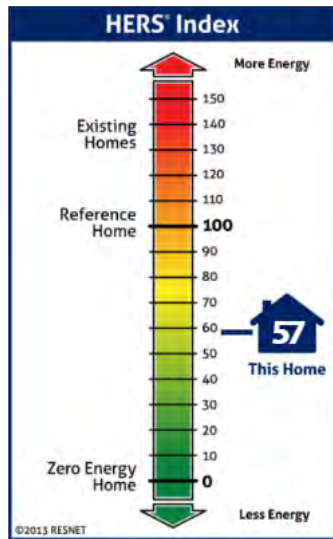
Energy Rater: Matt Waring
 RESNET ID: 6729287

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

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

Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 2/23/21 at 7:59 PM



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	Type T - 1BR Top Floor
Community:	Cool Lane
Conditioned Floor Area:	711 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.4 SEER
Primary Water Heating:	Water Heater • Electric • 4 UEF
House Tightness:	7 ACH50
Ventilation:	40 CFM • 39.2 Watts
Duct Leakage to Outside:	28.72 CFM @ 25Pa (4.04 / 100 s.f.)
Above Grade Walls:	R-20
Ceiling:	Vaulted Roof, R-30
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13
 Registry ID:
 Ekotrope ID: VdGmRMI2

HERS® Index Score:

58

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

Annual Savings

\$637

*Relative to an average U.S. home

Home:
 1900 Cool Lane
 Richmond, VA 23223

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.7	\$157
Cooling	1.2	\$39
Hot Water	1.0	\$33
Lights/Appliances	11.8	\$393
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	18.7	\$701

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1

Rating Completed by:

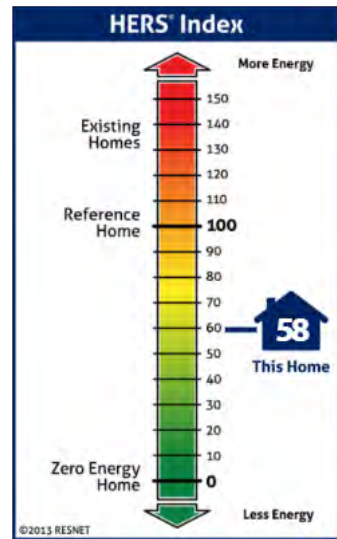
Energy Rater: Matt Waring
 RESNET ID: 6729287

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

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

Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 2/23/21 at 7:59 PM



Home Feature Summary:

Home Type: Apartment, inside unit
 Model: Type U - 1BR Top Floor
 Community: Cool Lane
 Conditioned Floor Area: 856 ft²
 Number of Bedrooms: 1
 Primary Heating System: Air Source Heat Pump • Electric • 11.5 HSPF
 Primary Cooling System: Air Source Heat Pump • Electric • 19.4 SEER
 Primary Water Heating: Water Heater • Electric • 4 UEF
 House Tightness: 7 ACH50
 Ventilation: 40 CFM • 39.2 Watts
 Duct Leakage to Outside: 32.64 CFM @ 25Pa (3.81 / 100 s.f.)
 Above Grade Walls: R-20
 Ceiling: Vaulted Roof, R-30
 Window Type: U-Value: 0.32, SHGC: 0.27
 Foundation Walls: N/A

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13
 Registry ID:
 Ekotrope ID: zvwDEW02

HERS® Index Score:

57

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

Annual Savings

\$586

*Relative to an average U.S. home

Home:
 1900 Cool Lane
 Richmond, VA 23223

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.2	\$141
Cooling	1.2	\$38
Hot Water	1.0	\$32
Lights/Appliances	10.9	\$362
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	17.3	\$653

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1

Rating Completed by:

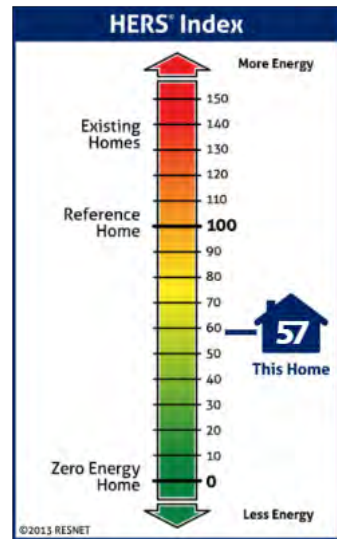
Energy Rater: Matt Waring
 RESNET ID: 6729287

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

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

Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 2/23/21 at 7:59 PM



Home Feature Summary:

- Home Type: Apartment, inside unit
- Model: Type V - 1BR Top Floor
- Community: Cool Lane
- Conditioned Floor Area: 613 ft²
- Number of Bedrooms: 1
- Primary Heating System: Air Source Heat Pump • Electric • 11.5 HSPF
- Primary Cooling System: Air Source Heat Pump • Electric • 19.4 SEER
- Primary Water Heating: Water Heater • Electric • 4 UEF
- House Tightness: 7 ACH50
- Ventilation: 40 CFM • 39.2 Watts
- Duct Leakage to Outside: 23.56 CFM @ 25Pa (3.83 / 100 s.f.)
- Above Grade Walls: R-20
- Ceiling: Vaulted Roof, R-30
- Window Type: U-Value: 0.32, SHGC: 0.27
- Foundation Walls: N/A

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13
 Registry ID:
 Ekotrope ID: M28Djq82

HERS® Index Score:

57

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

Annual Savings

\$594

*Relative to an average U.S. home

Home:
 1900 Cool Lane
 Richmond, VA 23223

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.6	\$152
Cooling	1.2	\$39
Hot Water	1.1	\$37
Lights/Appliances	10.9	\$362
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	17.8	\$669

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1

Rating Completed by:

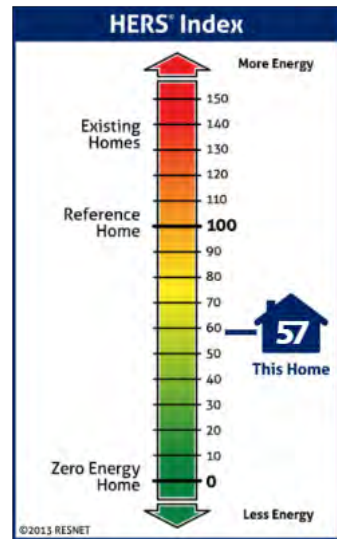
Energy Rater: Matt Waring
 RESNET ID: 6729287

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

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

Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 2/23/21 at 7:59 PM



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	Type W - 1BR Top Floor
Community:	Cool Lane
Conditioned Floor Area:	613 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.4 SEER
Primary Water Heating:	Water Heater • Electric • 4 UEF
House Tightness:	7 ACH50
Ventilation:	40 CFM • 39.2 Watts
Duct Leakage to Outside:	28.72 CFM @ 25Pa (4 / 100 s.f.)
Above Grade Walls:	R-20
Ceiling:	Vaulted Roof, R-30
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13
 Registry ID:
 Ekotrope ID: ZdmVNBRv

HERS® Index Score:

52

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

Annual Savings

\$567

*Relative to an average U.S. home

Home:
 1900 Cool Lane
 Richmond, VA 23223

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.0	\$66
Cooling	0.6	\$21
Hot Water	0.9	\$30
Lights/Appliances	10.3	\$341
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	13.8	\$538

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1

Rating Completed by:

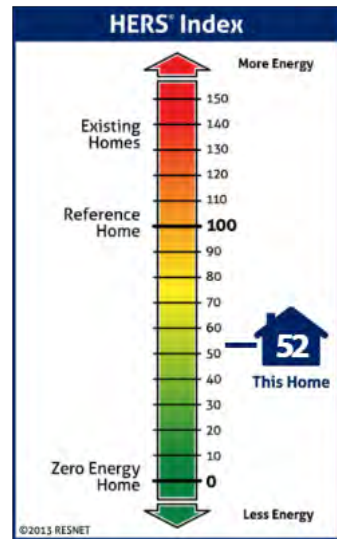
Energy Rater: Matt Waring
 RESNET ID: 6729287

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

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

Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 2/23/21 at 7:59 PM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Type X - Studio (Slab on Grade)
Community:	Cool Lane
Conditioned Floor Area:	565 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 12.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 21 SEER
Primary Water Heating:	Water Heater • Electric • 4 UEF
House Tightness:	7 ACH50
Ventilation:	25 CFM • 24.5 Watts
Duct Leakage to Outside:	Untested
Above Grade Walls:	R-20
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13

Registry ID:

Ekotrope ID: Avjaj6Vd

HERS® Index Score:

52

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

Annual Savings

\$584

*Relative to an average U.S. home

Home:
1900 Cool Lane
Richmond, VA 23223

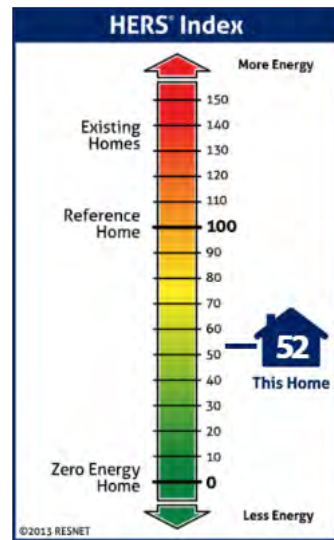
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.4	\$80
Cooling	0.8	\$27
Hot Water	0.9	\$30
Lights/Appliances	10.3	\$341
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	14.4	\$558

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	Type X - Studio
Community:	Cool Lane
Conditioned Floor Area:	565 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 12.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 21 SEER
Primary Water Heating:	Water Heater • Electric • 4 UEF
House Tightness:	7 ACH50
Ventilation:	25 CFM • 24.5 Watts
Duct Leakage to Outside:	Untested
Above Grade Walls:	R-20
Ceiling:	Vaulted Roof, R-30
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Matt Waring
RESNET ID: 6729287

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

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



Matt Waring

Matt Waring, Certified Energy Rater
Digitally signed: 2/23/21 at 7:59 PM

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13
 Registry ID:
 Ekotrope ID: x25D7Zpv

HERS® Index Score:

59

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

Annual Savings

\$565

*Relative to an average U.S. home

Home:
 1900 Cool Lane
 Richmond, VA 23223

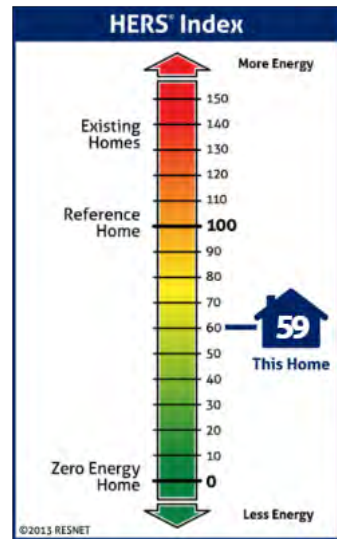
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.3	\$143
Cooling	1.0	\$33
Hot Water	1.0	\$34
Lights/Appliances	11.0	\$367
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	17.4	\$656

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	Type Y - 1BR - Slab on Grade
Community:	Cool Lane
Conditioned Floor Area:	650 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.4 SEER
Primary Water Heating:	Water Heater • Electric • 4 UEF
House Tightness:	7 ACH50
Ventilation:	40 CFM • 39.2 Watts
Duct Leakage to Outside:	23.56 CFM @ 25Pa (3.62 / 100 s.f.)
Above Grade Walls:	R-20
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Rating Completed by:

Energy Rater: Matt Waring
 RESNET ID: 6729287

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

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



Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 2/23/21 at 7:59 PM

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13
 Registry ID:
 Ekotrope ID: 9vgVRVqd

HERS® Index Score:

58

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

Annual Savings

\$579

*Relative to an average U.S. home

Home:
 1900 Cool Lane
 Richmond, VA 23223

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.4	\$147
Cooling	1.2	\$41
Hot Water	1.0	\$34
Lights/Appliances	11.0	\$367
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	17.7	\$667

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1

Rating Completed by:

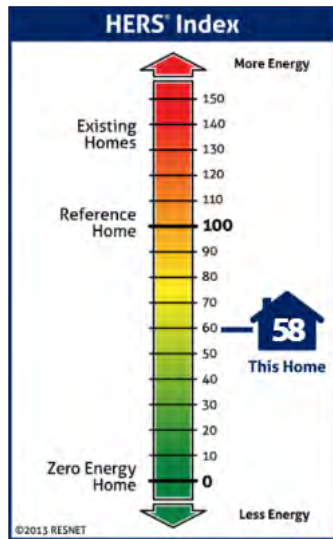
Energy Rater: Matt Waring
 RESNET ID: 6729287

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

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

Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 2/23/21 at 7:59 PM



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	Type Y - 1BR Top Floor
Community:	Cool Lane
Conditioned Floor Area:	650 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.4 SEER
Primary Water Heating:	Water Heater • Electric • 4 UEF
House Tightness:	7 ACH50
Ventilation:	40 CFM • 39.2 Watts
Duct Leakage to Outside:	23.56 CFM @ 25Pa (3.62 / 100 s.f.)
Above Grade Walls:	R-20
Ceiling:	Vaulted Roof, R-30
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	N/A

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13
 Registry ID:
 Ekotrope ID: yL0Bm59v

HERS® Index Score:

55

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

Annual Savings

\$629

*Relative to an average U.S. home

Home:
 1900 Cool Lane
 Richmond, VA 23223

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.5	\$183
Cooling	1.0	\$32
Hot Water	1.0	\$35
Lights/Appliances	10.8	\$359
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	18.3	\$687

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1

Rating Completed by:

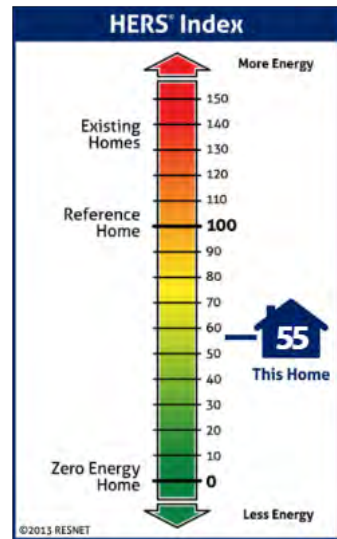
Energy Rater: Matt Waring
 RESNET ID: 6729287

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

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

Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 2/23/21 at 7:59 PM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	Type Z - 1BR (over basement)
Community:	Cool Lane
Conditioned Floor Area:	589 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 11.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 19.4 SEER
Primary Water Heating:	Water Heater • Electric • 4 UEF
House Tightness:	7 ACH50
Ventilation:	40 CFM • 39.2 Watts
Duct Leakage to Outside:	23.56 CFM @ 25Pa (4 / 100 s.f.)
Above Grade Walls:	R-20
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.32, SHGC: 0.27
Foundation Walls:	R-10

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13
 Registry ID:
 Ekotrope ID: M28DXgX2

HERS® Index Score:

55

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

Annual Savings

\$617

*Relative to an average U.S. home

Home:
 1900 Cool Lane
 Richmond, VA 23223

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.4	\$180
Cooling	1.0	\$32
Hot Water	1.0	\$35
Lights/Appliances	10.8	\$359
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	18.2	\$684

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1

Rating Completed by:

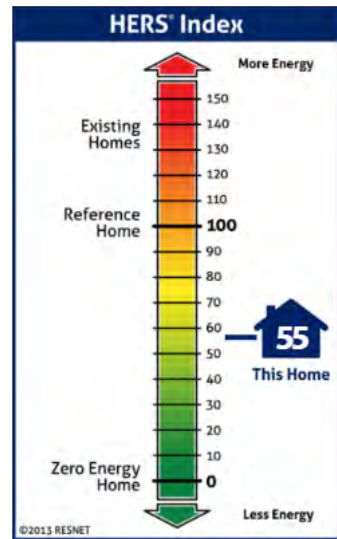
Energy Rater: Matt Waring
 RESNET ID: 6729287

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

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

Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 2/23/21 at 7:59 PM



Home Feature Summary:

Home Type: Apartment, end unit
 Model: Type Z - 1BR (over crawl)
 Community: Cool Lane
 Conditioned Floor Area: 589 ft²
 Number of Bedrooms: 1
 Primary Heating System: Air Source Heat Pump • Electric • 11.5 HSPF
 Primary Cooling System: Air Source Heat Pump • Electric • 19.4 SEER
 Primary Water Heating: Water Heater • Electric • 4 UEF
 House Tightness: 7 ACH50
 Ventilation: 40 CFM • 39.2 Watts
 Duct Leakage to Outside: 23.56 CFM @ 25Pa (4 / 100 s.f.)
 Above Grade Walls: R-20
 Ceiling: Adiabatic, R-0
 Window Type: U-Value: 0.32, SHGC: 0.27
 Foundation Walls: R-10

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13
 Registry ID:
 Ekotrope ID: bL7wNQKL

HERS® Index Score:

54 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

Annual Savings

\$618
 *Relative to an average U.S. home

Home:
 1900 Cool Lane
 Richmond, VA 23223

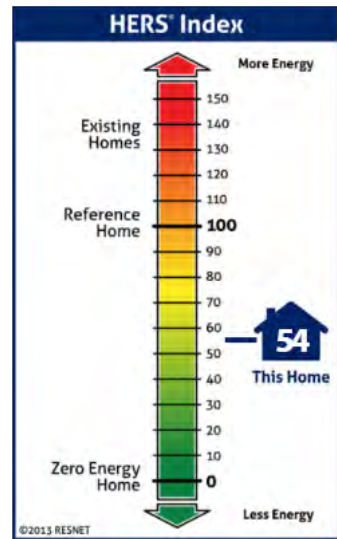
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.8	\$158
Cooling	0.9	\$31
Hot Water	1.0	\$34
Lights/Appliances	10.8	\$359
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	17.5	\$661

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1



Home Feature Summary:

Home Type: Apartment, end unit
 Model: Type Z - 1BR (Slab on Grade)
 Community: Cool Lane
 Conditioned Floor Area: 589 ft²
 Number of Bedrooms: 1
 Primary Heating System: Air Source Heat Pump • Electric • 11.5 HSPF
 Primary Cooling System: Air Source Heat Pump • Electric • 19.4 SEER
 Primary Water Heating: Water Heater • Electric • 4 UEF
 House Tightness: 7 ACH50
 Ventilation: 40 CFM • 39.2 Watts
 Duct Leakage to Outside: 23.56 CFM @ 25Pa (4 / 100 s.f.)
 Above Grade Walls: R-20
 Ceiling: Adiabatic, R-0
 Window Type: U-Value: 0.32, SHGC: 0.27
 Foundation Walls: N/A

Rating Completed by:

Energy Rater: Matt Waring
 RESNET ID: 6729287

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

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



Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 2/23/21 at 7:59 PM

Home Energy Rating Certificate

Projected Report

Rating Date: 2019-03-13
 Registry ID:
 Ekotrope ID: BdNNqDnd

HERS® Index Score:

54 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

Annual Savings

\$613
 *Relative to an average U.S. home

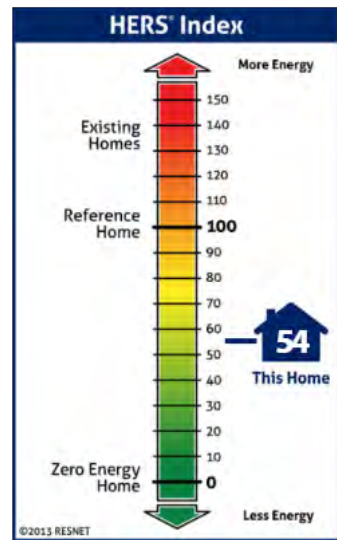
Home:
 1900 Cool Lane
 Richmond, VA 23223
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.3	\$143
Cooling	1.1	\$37
Hot Water	1.0	\$34
Lights/Appliances	10.8	\$359
Service Charges		\$79
Generation (e.g. Solar)	0.0	\$0
Total:	17.3	\$652

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.1



Home Feature Summary:

Home Type: Apartment, end unit
 Model: Type Z - 1BR Top Floor
 Community: Cool Lane
 Conditioned Floor Area: 589 ft²
 Number of Bedrooms: 1
 Primary Heating System: Air Source Heat Pump • Electric • 11.5 HSPF
 Primary Cooling System: Air Source Heat Pump • Electric • 19.4 SEER
 Primary Water Heating: Water Heater • Electric • 4 UEF
 House Tightness: 7 ACH50
 Ventilation: 40 CFM • 39.2 Watts
 Duct Leakage to Outside: 23.56 CFM @ 25Pa (4 / 100 s.f.)
 Above Grade Walls: R-20
 Ceiling: Vaulted Roof, R-30
 Window Type: U-Value: 0.32, SHGC: 0.27
 Foundation Walls: N/A

Rating Completed by:

Energy Rater: Matt Waring
 RESNET ID: 6729287

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

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



Matt Waring

Matt Waring, Certified Energy Rater
 Digitally signed: 2/23/21 at 7:59 PM

G

Zoning Certification Letter
(MANDATORY)



COMMONWEALTH OF VIRGINIA
COUNTY OF HENRICO

Zoning Certification

R.J. Emerson, Jr., AICP
Director of Planning
(804) 501-4602

DATE: February 16, 2021

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

RE: ZONING CERTIFICATION

Name of Development: Cool Lane Apartments

Name of Owner/Applicant: Cool Lane Apartments, LLC

Name of Seller/Current Owner: City of Richmond

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 credits available under VHDA's Qualified Allocation Plan.

DEVELOPMENT DESCRIPTION:

Development Address:
1900 Cool Lane
Richmond, VA
23223

Legal Description:
ALL that certain piece or parcel of land, with the improvements thereon, lying and being partly in the City of Richmond, and partly
in the County of Henrico, Virginia, containing 5.72 acres, described as follows: See the attached - Exhibit "A".

Proposed Improvements:

<input type="checkbox"/> New Construction:	_____ # Units	_____ # Buildings	_____	Approx. Total Floor Area Sq. Ft.
<input checked="" type="checkbox"/> Adaptive Reuse:	<u>87</u> # Units	<u>1</u> # Buildings	<u>90,043.98</u>	Approx. Total Floor Area Sq. Ft.
<input type="checkbox"/> Rehabilitation:	_____ # Units	_____ # Buildings	_____	Approx. Total Floor Area Sq. Ft.

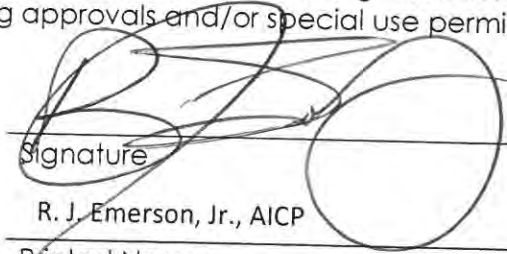
Zoning Certification, cont'd

Current Zoning: R-6C General Residence District (Conditional) allowing a density of 19.8 units per acre, and the following other applicable conditions: Subject to conditions proffered with rezoning case REZ2019-00002 and additional restrictions outlined by companion case PUP2019-00001.

Other Descriptive Information:
Cool Lane Apartments will be the adaptive re-use of a vacant nursing home facility into 80 one-bedroom and 6 studio apartments for homeless and low-income individuals in the Richmond region, plus one night monitor unit. The building will also contain office space for VSH administrative staff.

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

R. J. Emerson, Jr., AICP

Printed Name

Director of Planning

Title of Local Official or Civil Engineer

(804) 501-4602

Phone:

February 16, 2021

Date:

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

Legal Description

ALL that certain piece or parcel of land, with the improvements thereon, lying and being partly in the City of Richmond, and partly in the County of Henrico, Virginia, containing 5.72 acres, described as follows:

COMMENCING at a stone on the North line of Cool Lane, 134 feet, more or less, East of its intersection with Mechanicsville Turnpike (U.S. Route 360), which point of beginning is located on the 1942 City of Richmond Corporation Line dividing the City of Richmond and the County of Henrico; thence from said point of beginning extending N. 26° 39' E. 150 feet to a point; thence extending N. 73° 26' W. 133.90 feet to a point on the East line of Mechanicsville Turnpike; thence extending N. 32° 12' 40" E. 56.60 feet along the East line of Mechanicsville Turnpike to a stone; thence continuing along the East line of said Mechanicsville Turnpike N. 30' 10" E. 72.18 feet to a stone; thence leaving Mechanicsville Turnpike and extending Eastwardly along the South Line of Ramp "C", Interstate Rt. No. 64, along the following courses and distances: S. 84° 38' 30" E. 131.45 feet to a stone; S. 60° 23' 30" E. 180.77 feet to a stone; S. 73° 17' 30" E. 128.45 feet to a stone; N. 77° 26' 30" E. 188.88 feet to a stone; N. 56° 52' 30" E. 241.72 feet to a stone; and N. 85' 34' 30" E. 98.75 feet to a rod; thence extending S. 26° 21' 30" W. 576.80 feet along the West line of Cool Lane Court Subdivision to a rod; thence extending N. 73° 26' W. 673.56 feet along the North line of Cool Lane to the point of beginning.

Further as shown on a plat of survey made by Chas. H. Fleet & Assocs., dated December 31, 1971 entitled 'PLAT OF PROPERTY SITUATED BETWEEN COOL LANE AND ROUTE NO. 64 AND EAST OF MECHANICSVILLE TURNPIKE RICHMOND & HENRICO CO., VA.', which plat is recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia in Deed Book 675-B, Page 321.

BEING the same real estate conveyed to the City of Richmond, Virginia, a municipal corporation of the Commonwealth of Virginia, by deed from Hospital Authority of Richmond, dated August 7, 2009, recorded September 25, 2009 in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument No. 090020776 and in the Clerk's Office, Circuit Court, Henrico County, Virginia in Deed Book 4692, Page 1736.

38496731_1



CITY OF RICHMOND

DEPARTMENT OF
PLANNING AND DEVELOPMENT REVIEW
ZONING ADMINISTRATION

Zoning Jurisdiction Confirmation

To: Virginia Housing Development Authority
601 South Belvidere Street
Richmond, Virginia 23220

Attention: JD Bondurant

RE: Zoning Jurisdiction Confirmation
Name of Development: Cool Lane Apartments
Name of Owner/Applicant: Cool Lane Apartments, LLC

The City of Richmond confirms that the County of Henrico has the jurisdiction to complete a Zoning Certification letter on behalf of the Owner/Applicant for Cool Lane Apartments, which overlaps the boundary between the City of Richmond and the County of Henrico.

Signature:

A handwritten signature in black ink, appearing to read "William C. Davidson". The signature is written in a cursive style with large, overlapping loops.

Printed Name: William C. Davidson

Title: Zoning Administrator

Phone: (804)-646-6353

Date: February 9, 2021

H

Attorney's Opinion
(MANDATORY)

WILLIAMS MULLEN

Direct Dial: 804.420.6585
Inowlin@williamsmullen.com

March 18, 2021

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

RE: 2021 Tax Credit Reservation Request

Name of Development: Cool Lane Apartments
Name of Owner: Cool Lane Apartments, 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 (of which this opinion is a part) dated March 18, 2021 (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.

WILLIAMS MULLEN

March 18, 2021

Page 2


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. The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low-income housing.
7. The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

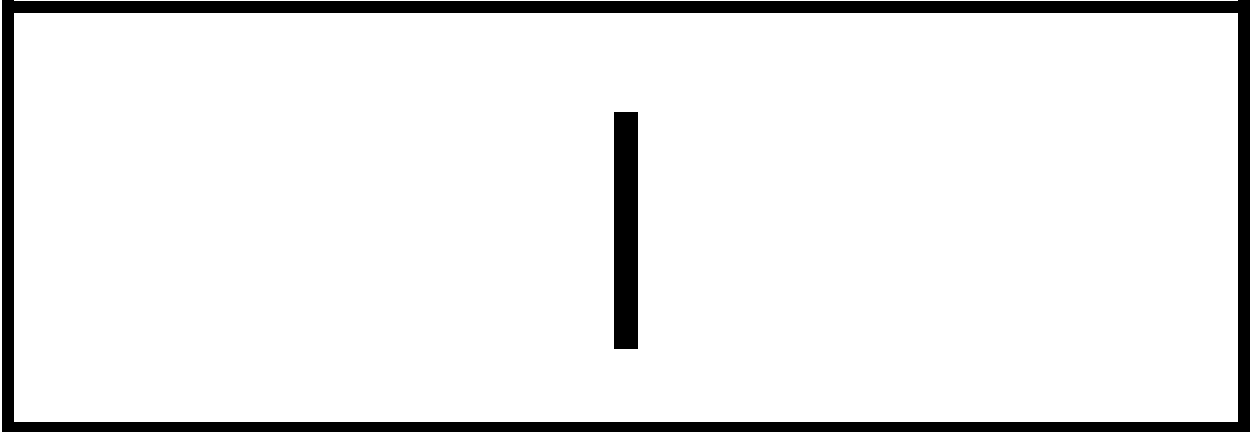
Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon compliance by the Owner with the requirements of Code Section 42(h)(1)(E), the Owner would be eligible under the applicable provisions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

WILLIAMS MULLEN, A Professional Corporation

By: 
Name: Lauren D. Nowlin
Its: Partner



Nonprofit Questionnaire

(MANDATORY for points or pool)



Non-profit Questionnaire

Part II, 13VAC10-180-60, of the Qualified Allocation Plan (the "Plan") of the Virginia Housing Development Authority (the "Authority") for the allocation of federal low income housing tax credits ("Credits") available under §42 of the Internal Revenue Code, as amended (the "Code") establishes certain requirements for receiving credits from the non-profit pool established under the Plan and assigning points for participation of a non-profit organization in the development of qualified low-income housing.

Answers to the following questions will be used by the Authority in its evaluation of whether or not an applicant meets such requirements. [Attach additional sheets as necessary to complete each question.](#)

1. General Information

- Name of development: _____
 - Name of owner/applicant: _____
 - Name of non-profit entity: _____
 - Address of principal place of business of non-profit entity:

 - Tax exempt status: 501(c)(3) 501(c)(4) 501(a)
 - Date of legal formation of non-profit (must be prior to application deadline); _____
evidenced by the following documentation:

 - Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached):

 - Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation):

 - How many full time, paid staff members does the non-profit and, if applicable, any other non-profit organization(s) ("related non-profit(s)") of which the non-profit is a subsidiary or to which the non-profit is otherwise related have (i.e. by shared directors, staff, etc.)?
_____ How many part time, paid staff members? _____
- Describe the duties of all staff members:

Non-profit Questionnaire, cont'd

- Does the non-profit share staff with any other entity besides a related non-profit described above?

Yes No If yes, explain in detail: _____

- What are the sources and manner of funding of the non-profit? (You must disclose all financial and/ or the arrangements with any individual(s) or for profit entity, including anyone or any entity related, directly, indirectly, to the Owner of the Development

- List all directors of the non-profit, their occupations, their length of service on the board, and their residential addresses:

2. Non-profit Formation

- If this is your first Non-profit Questionnaire in Virginia please explain in detail the genesis of the formation of the non-profit; otherwise please skip this question:

- Is the non-profit, or has it ever been, affiliated with or controlled by a for-profit entity or local housing authority?

Yes No If yes, explain in detail:

- Has any for profit organization or local housing authority (including the Owner of the Development, joint venture partner, or any individual or entity directly or indirectly related to such Owner) appointed any directors to the governing board of the non-profit?

Yes No If yes, explain:

- Does any for-profit organization or local housing authority have the right to make such appointments?

Yes No If yes, explain:

Non-profit Questionnaire, cont'd

- Does any for profit organization or local housing authority have any other affiliation with the non-profit or have any other relationship with the non-profit in which it exercises or has the right to exercise any other type of control?

Yes No, If yes, explain: _____

- Was the non-profit formed by any individual(s) or for profit entity for the principal purpose of being included in the non-profit Pool or receiving points for non-profit participation under the Plan?

Yes No

- Explain any experience you are seeking to claim as a related or subsidiary non-profit.

3. Non-profit Involvement

- Is the non-profit assured of owning an interest in the Development (either directly or through a wholly owned subsidiary) throughout the Compliance Period (as defined in

§42(i)(1) of the Code)?

Yes No

(i) Will the non-profit own at least 10% of the general partnership/owning entity?

Yes No

(ii) Will the non-profit own 100% of the general partnership interest/owning entity?

Yes No

If no to either 3a.i or 3a.ii above, specifically describe the non-profit's ownership interest:

- (i) Will the non-profit be the managing member or managing general partner?

Yes No If yes, where in the partnership/operating agreement is this provision specifically referenced?

(ii) Will the non-profit be the managing member or own more than 50% of the general partnership interest? Yes No

- Will the non-profit have the option or right of first refusal to purchase the proposed development at the end of the compliance period for a price not to exceed the outstanding debt and exit taxes of the for-profit entity?

Yes No If yes, where in the partnership/operating agreement is this provision specifically referenced?

Non-profit Questionnaire, cont'd

Recordable agreement attached to the Tax Credit Application as TAB V

If no at the end of the compliance period explain how the disposition of the assets will be structured:

- Is the non-profit materially participating (regular, continuous, and substantial participation) in the construction or rehabilitation and operation or management of the proposed Development?

Yes No If yes,

- (i) Describe the non-profit's proposed involvement in the construction or rehabilitation of the Development:

- (ii) Describe the nature and extent of the non-profit's involvement in the operation or management of the Development throughout the Extended Use Period (the entire time period of occupancy restrictions of the low-income units in the Development):

- (iii) Will the non-profit invest in its overall interaction with the development more than 500 hours annually to this venture? Yes No If yes, subdivide the annual hours by activity and staff responsible and explain in detail:

- If this is a joint venture, (i.e. the non-profit is not the sole general partner/managing member), explain the nature and extent of the joint venture partner's involvement in the construction or rehabilitation and operation or management of the proposed development.

- Is a for profit entity providing development services (excluding architectural, engineering, legal, and accounting services) to the proposed development?

Yes No If yes,

- (i) explain the nature and extent of the consultant's involvement in the construction or rehabilitation and operation or management of the proposed development.

- Will the non-profit or the Owner (as identified in the application) pay a joint venture partner or consultant fee for providing development services? Yes No If yes, explain the amount and source of the funds for such payments.

Non-profit Questionnaire, cont'd

- Will any portion of the developer's fee which the non-profit expects to collect from its participation in the development be used to pay any consultant fee or any other fee to a third party entity or joint venture partner? Yes No If yes, explain in detail the amount and timing of such payments.

- Will the joint venture partner or for-profit consultant be compensated (receive income) in any other manner, such as builder's profit, architectural and engineering fees, or cash flow?
 Yes No If yes, explain:

- Will any member of the board of directors, officer, or staff member of the non-profit participate in the development and/or operation of the proposed development in any for-profit capacity?
 Yes No If yes, explain:

- Disclose any business or personal (including family) relationships that any of the staff members, directors or other principals involved in the formation or operation of the non-profit have, either directly or indirectly, with any persons or entities involved or to be involved in the Development on a for-profit basis including, but not limited to the Owner of the Development, any of its for-profit general partners, employees, limited partners or any other parties directly or indirectly related to such Owner:

Non-profit Questionnaire, cont'd

4. Virginia and Community Activity

- Has the Virginia State Corporation Commission authorized the non-profit to do business in Virginia? Yes No

- Define the non-profit's geographic target area or population to be served:

- Does the non-profit or, if applicable, related non-profit have experience serving the community where the proposed development is located (including advocacy, organizing, development, management, or facilitation, but not limited to housing initiatives)?
 Yes No If yes, or no, explain nature, extent and duration of any service:

- Does the non-profit's by laws or board resolutions provide a formal process for low income, program beneficiaries to advise the non-profit on design, location of sites, development and management of affordable housing? Yes No If yes, explain:

- Has the Virginia Department of Agriculture and Consumer Services (Division of Consumer Affairs) authorized the non-profit to solicit contributions/donations in the target community?
 Yes No

- Does the non-profit have demonstrated support (preferably financial) from established organizations, institutions, businesses and individuals in the target community?
 Yes No If yes, explain:

- Has the non-profit conducted any meetings with neighborhood, civic, or community groups and/or tenant associations to discuss the proposed development and solicit input? Yes No If yes, describe the general discussion points:

- Are at least 33% of the members of the board of directors representatives of the community being served? Yes No If yes,
 - (i) low-income residents of the community? Yes No
 - (ii) elected representatives of low-income neighborhood organizations? Yes No

Non-profit Questionnaire, cont'd

- Are no more than 33% of the members of the board of directors representatives of the public sector (i.e. public officials or employees or those appointed to the board by public officials)? Yes No
- Does the board of directors hold regular meetings which are well attended and accessible to the target community? Yes No If yes, explain the meeting schedule:

- Has the non-profit received a Community Housing Development Organization (CHDO) designation, as defined by the U. S. Department of Housing and Urban Development's HOME regulations, from the state or a local participating jurisdiction? Yes No
- Has the non-profit been awarded state or local funds for the purpose of supporting overhead and operating expenses? Yes No If yes, explain in detail:

- Has the non-profit been formally designated by the local government as the principal community-based non-profit housing development organization for the selected target area? Yes No If yes, explain:

- Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as a joint venture partner with a for-profit entity? Yes No If yes, note each such application including: the development name and location, the date of application, the non-profit's role and ownership status in the development, the name and principals of the joint venture partners, the name and principals of the general contractor, the name and principals of the management entity, the result of the application, and the current status of the development(s).

- Has the non-profit ever applied for Low Income Housing Tax Credits for a development in which it acted as the sole general partner/managing member? Yes No If yes, note each such development including the name and location, the date of the application, the result of the application, and the current status of the development(s).

- To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before? Yes No

- Has the non-profit completed a community needs assessment that is no more than three years old and that, at a minimum identifies all of the defined target area's housing needs and resources? Yes No If yes, explain the need identified:

Non-profit Questionnaire, cont'd

5. Attachments

Documentation of any of the above need not be submitted unless requested by VHDA

The undersigned Owner and non-profit hereby each certify that, to the best of its knowledge, all of the foregoing information is complete and accurate. Furthermore, each certifies that no attempt has been or will be made to circumvent the requirements for non-profit participation contained in the Plan or Section 42 of the Internal Revenue Code.

March 12, 2021
Date

Cool Lane Apartments, LLC
Owner/Applicant
By: Allison Bogdanovic
Its: Executive Director
Title
Virginia Supportive Housing

March 12, 2021
Date

Non-profit
By: Sharon K Husban
Board Chairman
By: Allison Bogdanovic
Executive Director

Cool Lane Apartments
Non-Profit Questionnaire: Additional Information

1. General information

List all directors of the non-profit, their occupations, their length of service on the board, and their residential addresses:

Sharon Nusbaum, President
Community Volunteer
Board Term: 2015-2021
540 New Hampshire Ave., Norfolk, VA 23508

Jason Snook, PhD, Vice President
CapTech Ventures, Inc.
Board Term: 2017-2022
1003 Catherine Street, Richmond, VA 23220

Jack Horn, Secretary
Martin Horn, Inc.
Board Term: 2013-2021
4041 Red Hill Road, Charlottesville, VA 22903

Pam Goggins, Immediate Past President
Microsoft
Board Term: 2015-2021
213 Walsing Dr., Richmond, VA 23229

Nathalia D. Artus
Atlantic Union Bank
Board Term: 2018-2023
3503 Edgewood Ave., Richmond, VA 23222

Curtis Carter
Thalhimer
Board Term: 2019-2024
7712 Dartmoor Rd., Richmond, VA 23229

Keith Conley
Veteran, U.S. Navy
Board Term: 2013-2021
411 Walnut Street, Green Cove Springs, FL 32043

Andrew Heatwole
Ripley Heatwole Company, Inc.
Board Term: 2018-2023
4305 Alfriends Trail, Virginia Beach, VA 23455

Leslee Oliver
VHB
Board Term: 2021-2026
1719 Elmsmere Ave, Richmond, VA 23227

Sharon Patrick
Enterprise Holdings
Board Term: 2020-2025
5253 Indian River Rd., Virginia Beach, VA 23464

Sharon Payne
Virginia Wesleyan University
Board Term: 2018-2023
1722 Honorary Court, Virginia Beach, VA 23454

Kathy Robertson
Community Volunteer
Board Term: 2020-2025
112 N. Auburn Avenue, Richmond, VA 23221

Andrew Sherrod
Hirschler
Board Term: 2019-2024
311 Lexington Road, Richmond, VA 23226

George Stroud
Community Volunteer
Board Term: 2021-2026
5432 Tidewater Drive Apt C109, Norfolk, VA 23509

4. Virginia and Community Activity

Does the non-profit or, if applicable, related non-profit have experience serving the community where the proposed development is located (including advocacy, organizing, development, management, or facilitation, but not limited to housing initiatives)?

For over 30 years, Virginia Supportive Housing (VSH) has been developing and providing permanent, affordable housing and comprehensive supportive services for homeless and low-income individuals throughout the Commonwealth of Virginia. Virginia Supportive Housing opened New Clay House, its first permanent supportive housing development in 1992 in the City of Richmond. New Clay House was followed by South Richmond SRO in 1996 and Studios at South Richmond in 2011. The two properties house a total of one hundred forty (140) individuals. VSH also operates smaller housing developments for low-income families, Veterans, individuals with disabilities, individuals with traumatic brain injury, and individuals with HIV/AIDS in the Richmond MSA. Together these smaller developments hold fifty-two (52) units. Finally, VSH provides supportive services and housing assistance to individuals in the Richmond MSA through scattered site housing access programs.

Has the non-profit conducted any meetings with neighborhood, civic, or community groups and/or tenant associations to discuss the proposed development and solicit input?

Virginia Supportive Housing has worked with Faith Community Baptist Church and Pastor Patricia A. Gould-Champ around community outreach regarding the development of Cool Lane Apartments.

Faith Community Baptist Church, located across the street from 1900 Cool Lane, hosted a community meeting led by Virginia Supportive Housing in December 2018 where about 10 neighbors and community members were able to learn about the project and ask questions. Additionally, members of the community participated in a tour of New Clay House, a VSH permanent supportive housing project located in the City of Richmond, in February 2019. This allowed community members and neighbors the opportunity to see the quality and pride VSH takes in designing and constructing their housing.

Finally, neighborhood residents and community members were notified of the rezoning process that took place in January 2019. Several area residents spoke in favor of the proposed development.

Virginia Supportive Housing will continue to work with community members and groups to provide information and collect input throughout the planning and development process.

ARTICLES OF INCORPORATION

OF

S.R.O. HOUSING OF RICHMOND

The undersigned hereby form a non-stock corporation under the provisions of Chapter 10 of Title 13.1 of the Code of Virginia and to that end set forth the following:

ARTICLE I

The name of the corporation is S.R.O. HOUSING OF RICHMOND.

ARTICLE II

The purposes for which this corporation is formed are exclusively charitable, scientific and educational and consist of the following:

A. The specific and primary purposes are:

1. To raise the economic, educational and social levels of underprivileged residents of the Richmond, Virginia metropolitan area by providing affordable single room occupancy and low-cost housing within the Richmond metropolitan area and promote community-wide interest and concern for the problems of such residents;

2. To expand the opportunities available to said residents and groups to own, manage, and operate business enterprises by furthering the development of locally-owned or -operated business enterprises in economically underprivileged or depressed areas; to assist said residents and groups in developing entrepreneurial and management skills necessary for the successful operation of business enterprises; to provide

financial support for the successful operation of business enterprise by said residents and groups and to assist said residents and groups in obtaining such financial support from other sources;

3. To expand the opportunities available to said residents and groups to obtain adequate low-cost housing accommodations;

4. To aid, support and assist by gifts, contributions or otherwise, other corporations, community chests, funds and foundations organized and operated exclusively for charitable, religious, scientific, literary or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation;

5. To do any and all lawful activities which may be necessary, useful or desirable for the furtherance, accomplishment, fostering or attainment of the foregoing purposes, either directly or indirectly, and either alone or in conjunction or cooperation with others, whether such others be persons or organizations of any kind or nature, such as corporations, firms, associations, trusts, institutions, foundations or governmental bureaus, departments or agencies.

B. In furtherance, but not in limitation, of the foregoing charitable, educational and scientific purposes, the Corporation shall have the following powers:

1. To solicit, collect and receive money and other assets, and to administer funds and contributions received by grant, gift, deed, bequest or devise, and otherwise to acquire money, securities, property, rights and services of every kind and description, and to hold, invest, expend, contribute, use, sell or otherwise dispose of any money, securities, property, rights or services so acquired for the purposes above mentioned;

2. To borrow money and to make, accept, endorse, execute and issue bonds, debentures, promissory notes, and other corporate obligations, for moneys borrowed, or in payment for property acquired or for any of the purposes of the corporation, and to secure payment of any such obligation by mortgage, pledge, deed, indenture, agreement or other instrument of trust, or by other lien upon, assignment of or agreement in regard to all or any part of the property, rights or privileges of the corporation;

3. To invest and reinvest its funds in such mortgages, bonds, notes, debentures, shares of preferred and common stock, and any other securities of any kind whatsoever, and property, real, personal or mixed, tangible or intangible, all as the Corporation's Board of Directors shall deem advisable and as may be permitted by law;

4. To provide advice, support, credit, funds, capital, gifts and all other lawful forms of assistance, financial and otherwise, to or for use in business enterprises owned, or destined to be owned, by said residents and groups;

5. To furnish management, administrative and other business advice, support, training and technical assistance to said residents and groups in order to enable them to develop necessary skills successfully to operate business ventures;

6. To conduct educational and other efforts to eliminate prejudice and discrimination in the business and financial communities and to foster the establishment of sound and constructive relationships between the business and financial communities and said residents and groups;

7. To conduct educational activities designed to provide instruction or training of said residents and groups for the purpose of improving or developing their capabilities, language and job skills, and the instruction of the public on subjects useful to said residents and groups and beneficial to the community as a whole;

8. To engage in housing production and related activities in order to improve the living conditions of said residents;

9. To engage in any and all other activities which will directly or indirectly improve the welfare and economic conditions of said residents and groups; and

10. To exercise all other rights and powers conferred upon non-stock corporations formed under the laws of the State of Virginia, provided, however, that the Corporation shall not engage in any activities or exercise any powers, including those specifically mentioned herein, that are not in furtherance of the

specific and primary charitable, education and scientific purposes of the corporation.

C. All of the foregoing purposes and powers shall be exercised exclusively for charitable, scientific and educational purposes in such manner that the Corporation shall qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1954 and applicable state tax law provisions, as they are currently and shall hereafter be in force and effect.

ARTICLE III

Further, the corporation is formed to receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively for charitable, religious, scientific, literary, or educational purposes either directly or by contributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (herein called the "Code") and its Regulations as they now exist or as they may hereafter be amended.

No part of the assets or net earnings of the corporation shall inure to the benefit of, or be distributable to, any member, director or officer of the corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes and benefits may be conferred that are in conformity with said purposes), nor shall any private individual

be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting, to influence legislation, and the corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

Notwithstanding any other provision of these Articles of Incorporation, the corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from federal income tax under Section 501(c)(3) of the Code and its Regulations as they now exist or as they may hereafter be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of the Code and Regulations as they now exist or as they may hereafter be amended.

Upon dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purpose of the corporation in such manner, or to such organizations organized and operated exclusively for charitable, educational or literary purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law), as the Board of Directors upon

majority vote shall determine. Any of such assets not so disposed of shall be disposed of by any court of record with general equity jurisdiction in the city or county in Virginia where the registered office of the corporation is located, exclusively for such purposes or to such organization or organizations, as such court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE IV

The affairs of the corporation shall be managed by the Board of Directors. Directors need not be residents of the State of Virginia or members of the corporation. The number of initial Directors shall be four (4), and shall, in no event, be less than four (4), but otherwise shall be the number fixed by the Bylaws.

ARTICLE V

The corporation shall have no authority to issue stock. Except as may otherwise be provided by the Bylaws, members shall have full voting rights in all corporate matters.

ARTICLE VI

The initial Board of Directors and such persons as are from time to time accepted into membership by the Board of Directors, in accordance with the membership requirements set forth in the Bylaws, shall constitute the members of the corporation. Pursuant to procedures set forth in the Bylaws, the members shall at Annual Meetings elect directors to serve until their successors are elected and qualify. The first Annual Meeting of members shall be held on the first Monday in October, 1988.

Annual Meetings thereafter shall be held on the first Monday in October of each year, or as otherwise fixed by the Bylaws.

ARTICLE VII

The initial Bylaws of the corporation shall be adopted by the Board of Directors and the Board of Directors shall have the power to alter, amend or repeal the same or adopt new Bylaws.

ARTICLE VIII

The post office address of the initial registered office is 100 Shockoe Slip, Richmond, Virginia 23219. The name of the city in which the initial registered office is located is Richmond. The name of its registered agent is Christopher M. Malone, who is a resident of Virginia, a member of the Virginia State Bar, and whose office address is the same as the registered office.

ARTICLE IX

The initial Board of Directors shall consist of four (4) directors. The name and address of each of the persons who are to serve as the initial directors are as follows:

Leslie Herdegen
2904 Third Avenue
Richmond, Virginia 23222

Karl Bren
205 North 4th Street
Richmond, Virginia 23219

Susanna Capers
7825 Cherokee Road
Richmond, Virginia 23225

Angelo Rose
P.O. Box 25604
Richmond, Virginia 23260

ARTICLE X

The Corporation may indemnify, including indemnity with respect to a proceeding by or in the right of the Corporation, and may make additional provision for advances and reimbursement of expenses to, any person who is a current or former director,

officer, employee or agent of the Corporation, or any other entity if serving in such capacity on behalf of the Corporation, to the full extent as provided by law, with respect to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitratve or investigative, arising out of or relating to the services provided by any such person to the Corporation.

Dated: 1/5/88

Christopher M. Malone
Christopher M. Malone, Incorporator

ARTICLES OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
S.R.O. HOUSING OF RICHMOND

1. The name of the corporation is S.R.O. Housing of Richmond (the "Company").
2. The Company's Articles of Incorporation are hereby amended to change the name of the Company by deleting Article I thereof in its entirety and by substituting the following in lieu thereof:

"ARTICLE I

The name of the Company is Virginia Supportive Housing."

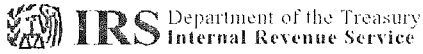
3. The amendment to Article I of the Company's Articles of Incorporation was adopted by at least two-thirds of the Board of Directors of the Company at a meeting on March 25, 1999. Pursuant to Article III of the Bylaws of the Company, the Company does not have any members; therefore, member action was not required.

4. These Articles of Amendment shall be effective as of November 1, 1999.

IN WITNESS WHEREOF, said S.R.O. Housing of Richmond has caused these Articles of Amendment to be signed by its authorized officer, this 1st day of November, 1999.

S.R.O. HOUSING OF RICHMOND

By: Betsy S. Bighinatti
Name: Betsy S. Bighinatti
Title: President



Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248464840
Dec. 03, 2009 LTR 4168C E0
54-1444564 000000 00

00017800
BODC: TE

VIRGINIA SUPPORTIVE HOUSING
1010 N THOMPSON
RICHMOND VA 23230



15000

Employer Identification Number: 54-1444564
Person to Contact: Mrs. Dudley
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Nov. 23, 2009, request for information regarding your tax-exempt status.

Our records indicate that your organization was recognized as exempt under section 501(c)(03) of the Internal Revenue Code in a determination letter issued in JULY 1988.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Beginning with the organization's sixth taxable year and all succeeding years, it must meet one of the public support tests under section 170(b)(1)(A)(vi) or section 509(a)(2) as reported on Schedule A of the Form 990. If your organization does not meet the public support test for two consecutive years, it is required to file Form 990-PF, Return of Private Foundation, for the second tax year that the organization failed to meet the support test and will be reclassified as a private foundation.

If you have any questions, please call us at the telephone number shown in the heading of this letter.



IRS Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

015000.631534.0081.002 1 AB 0.360 532



VIRGINIA SUPPORTIVE HOUSING
1010 N THOMPSON
RICHMOND VA 23230

015000

CUT OUT AND RETURN THE VOUCHER AT THE BOTTOM OF THIS PAGE IF YOU ARE MAKING A PAYMENT,
EVEN IF YOU ALSO HAVE AN INQUIRY.

The IRS address must appear in the window.

Use for payments

BODCD-TE

0248464840

Letter Number: LTR4168C
Letter Date : 2009-12-03
Tax Period : 000000



541444564

INTERNAL REVENUE SERVICE
P.O. Box 2508
Cincinnati OH 45201

VIRGINIA SUPPORTIVE HOUSING
1010 N THOMPSON
RICHMOND VA 23230



541444564 UP VIRG 00 2 000000 670 000000000000

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF GOOD STANDING

I Certify the Following from the Records of the Commission:

That VIRGINIA SUPPORTIVE HOUSING is duly incorporated under the law of the Commonwealth of Virginia;

That the corporation was incorporated on January 14, 1988;

That the corporation's period of duration is perpetual; and

That the corporation is in existence and in good standing in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

March 3, 2021

A handwritten signature in black ink, appearing to read "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

J

Relocation Plan
Including Unit
Delivery Schedule
(MANDATORY, if tenants are displaced)

Not Applicable.

K

Documentation of
Development Location

K.1

Revitalization Area
Certification



Revitalization Area

General Instructions

Revitalization areas are defined in Virginia Code §36-55.30:2.A.

Designation

To qualify for revitalization area points, select one of the following (and provide adequate documentation):

1. **The development is located in a Qualified Census Tract, as defined by HUD. (10 points)** Please see supporting documentation.
2. The development is located in a census tract wherein 70% or more of the families have incomes which are \leq 80% statewide median income. **NOTE:** These census tracts are included in the definition of target area for single-family purposes, but do not include ACEDS. (10 points)
3. The development is located in an already established redevelopment area, conservation area or rehabilitation district created by a city or county, pursuant to §36-1 et seq. Documentation must show area boundaries and support that the development lies within those boundaries. (10 points)
4. The development is located in a Housing Rehabilitation Zone established through an ordinance created by a city, county or town pursuant to §36-55.64. Documentation must include a copy of the ordinance with support that the development lies within the Rehabilitation Zone. (15 points)
5. The development is located in a defined revitalization area. Documentation must include a resolution from the locality supporting the development's location within the revitalization area. See language below. (15 points)

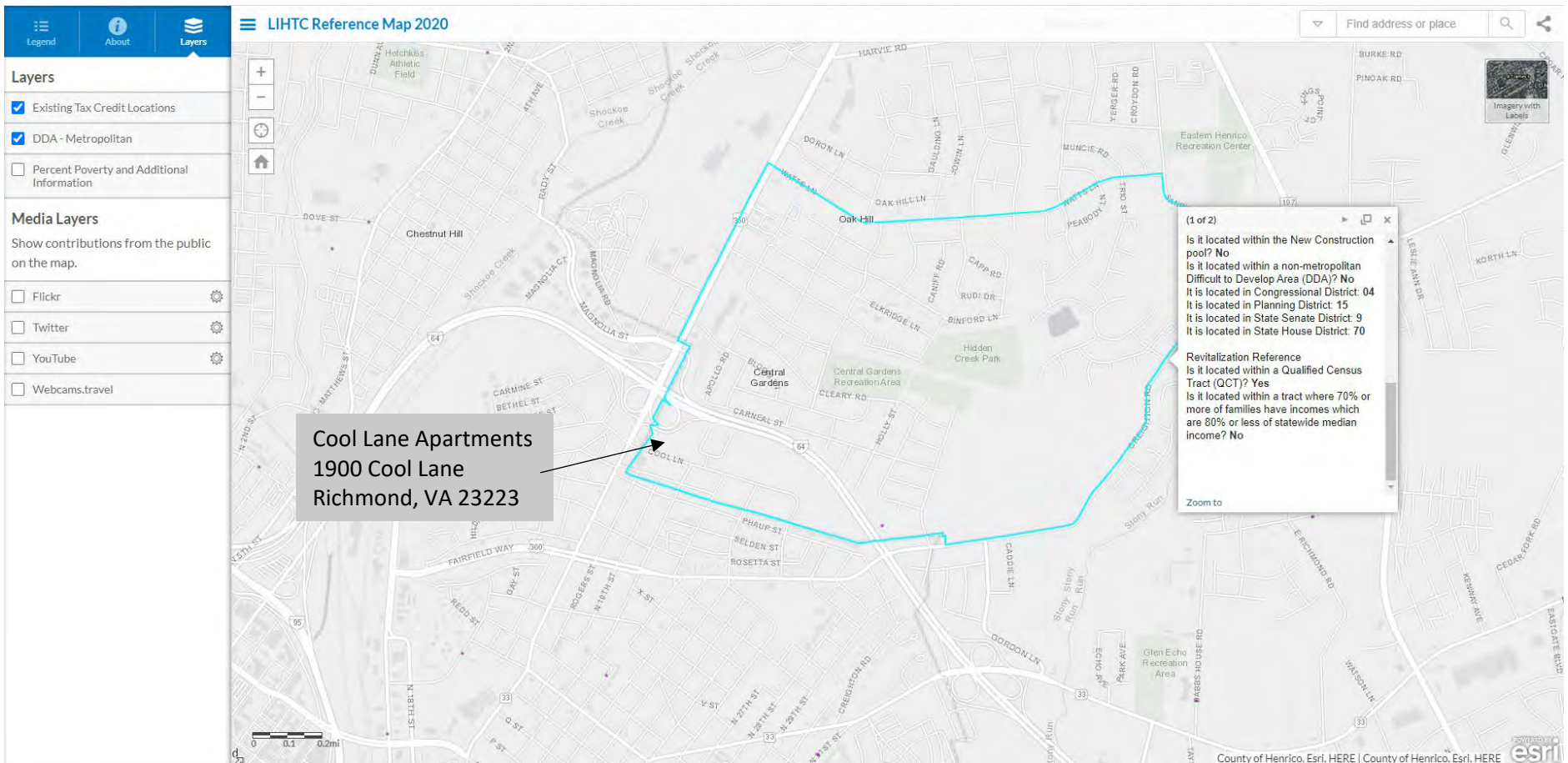
*The above-referenced development is located in a Revitalization Area in the Town/City/County of _____, Virginia. The revitalization area is (i) **either** (1) blighted, deteriorated, deteriorating or, if not rehabilitated, likely to deteriorate by reason that the buildings, improvements or other facilities in such area are subject to one or more of the following conditions- dilapidation, obsolescence, overcrowding, inadequate ventilation, light or sanitation, excessive land coverage, deleterious land use, or faulty or otherwise inadequate design, quality or condition, **or** (2) the industrial, commercial or other economic development of such area will benefit the city or county but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; **and** (ii) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.*

Delete the language that does not apply, (i)(1) or (i)(2) above.

6. The development is located in a Qualified Opportunity Zone and has a binding commitment of funding. Documentation must include a firm commitment of funding from a Qualified Opportunity Fund (QOF). Evidence of the self-certification to become a QOF must be provided with the commitment for funding. (15 points)

**Revitalization Area Certification:
Documentation of Location within a QCT**

Cool Lane Apartments
1900 Cool Lane
Richmond, VA 23223





Office of Policy Development and Research (PD&R)
 U.S. Department of Housing and Urban Development
 Secretary Ben Carson



STATE TABLE

DATASET / STATE TABLE

Other Datasets ▾

Back

2021 IRS SECTION 42(d)(5)(B) QUALIFIED CENSUS TRACTS

(2010 Decennial Census and 2012-2016, 2013-2017 and 2014-2018 American Community Survey (ACS) Data; OMB Metropolitan Area Definitions, July 15, 2015)

****Effective Date January 1, 2021***

State: Virginia

**COUNTY OR
 COUNTY**

EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
Accomack County	904.00											
Albemarle County	109.01	109.02	113.02									
Alleghany County	701.00											
Arlington County	1022.00	1027.01	1031.00									
Brunswick County	9302.03											
Buchanan County	101.00	102.00	107.00									

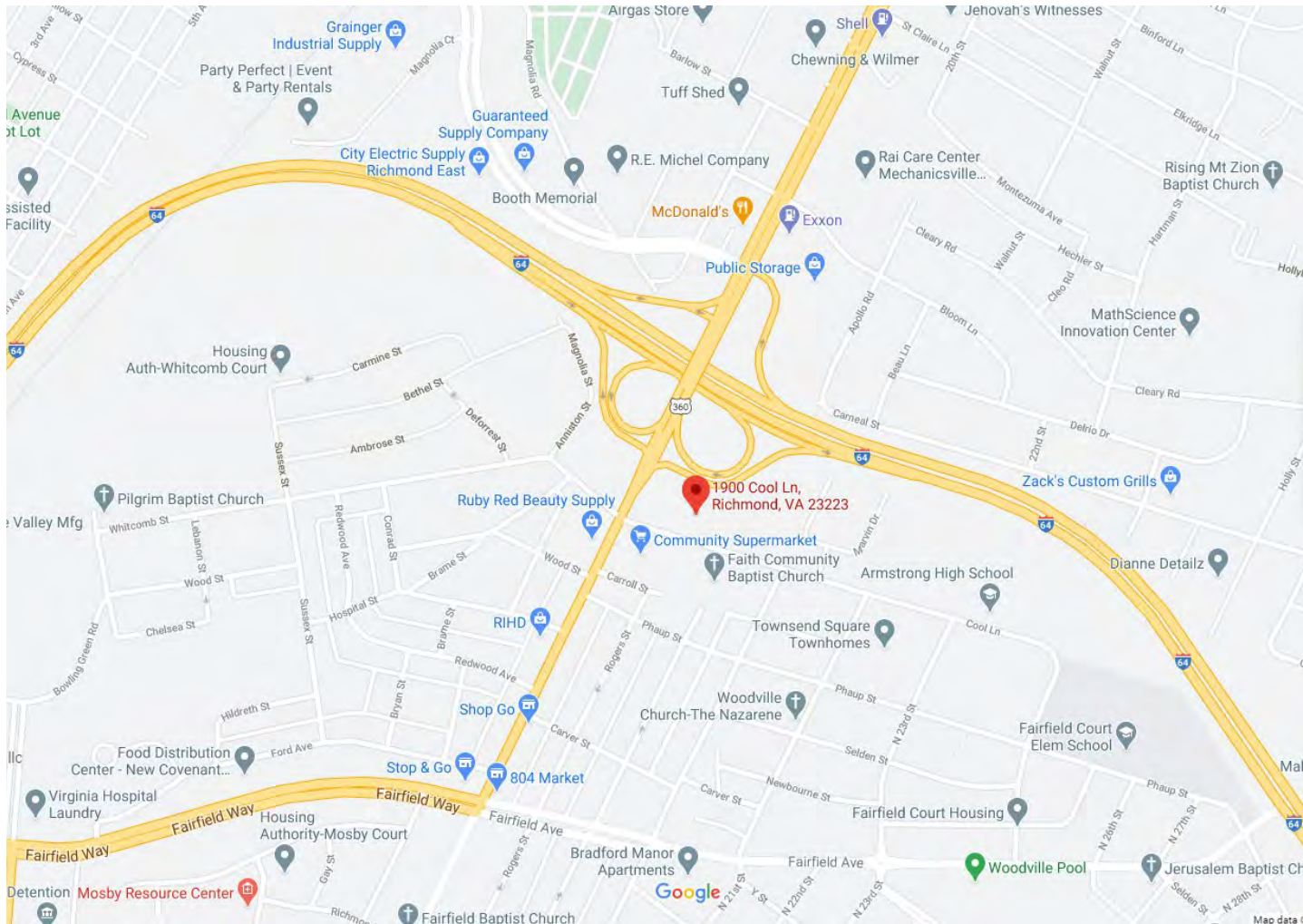
COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
Charlotte County	9301.00												
Chesterfield County	1001.07	1003.00	1004.04	1004.05	1004.06								
Dickenson County	401.00	404.00											
Dinwiddie County	8404.00	8405.00											
Fairfax County	4215.00	4216.00	4217.01	4219.00	4507.02	4514.00	4516.01	4522.00	4523.02	4525.02	4527.00	4619.02	
Franklin County	202.00												
Grayson County	602.01	603.00											
Halifax County	9306.00												
Henrico County	2004.10	2004.12	2007.00	2008.04	2008.05	2010.02	2010.03	2011.01	2012.02	2014.01			
Henry County	105.00	108.00	112.00										
Lee County	9501.00	9503.00	9504.00	9505.00									
Loudoun County	6105.05	6106.03											
Montgomery County	202.01	202.02	203.00	204.00									
Northampton County	9303.00												
Prince Edward County	9301.00												

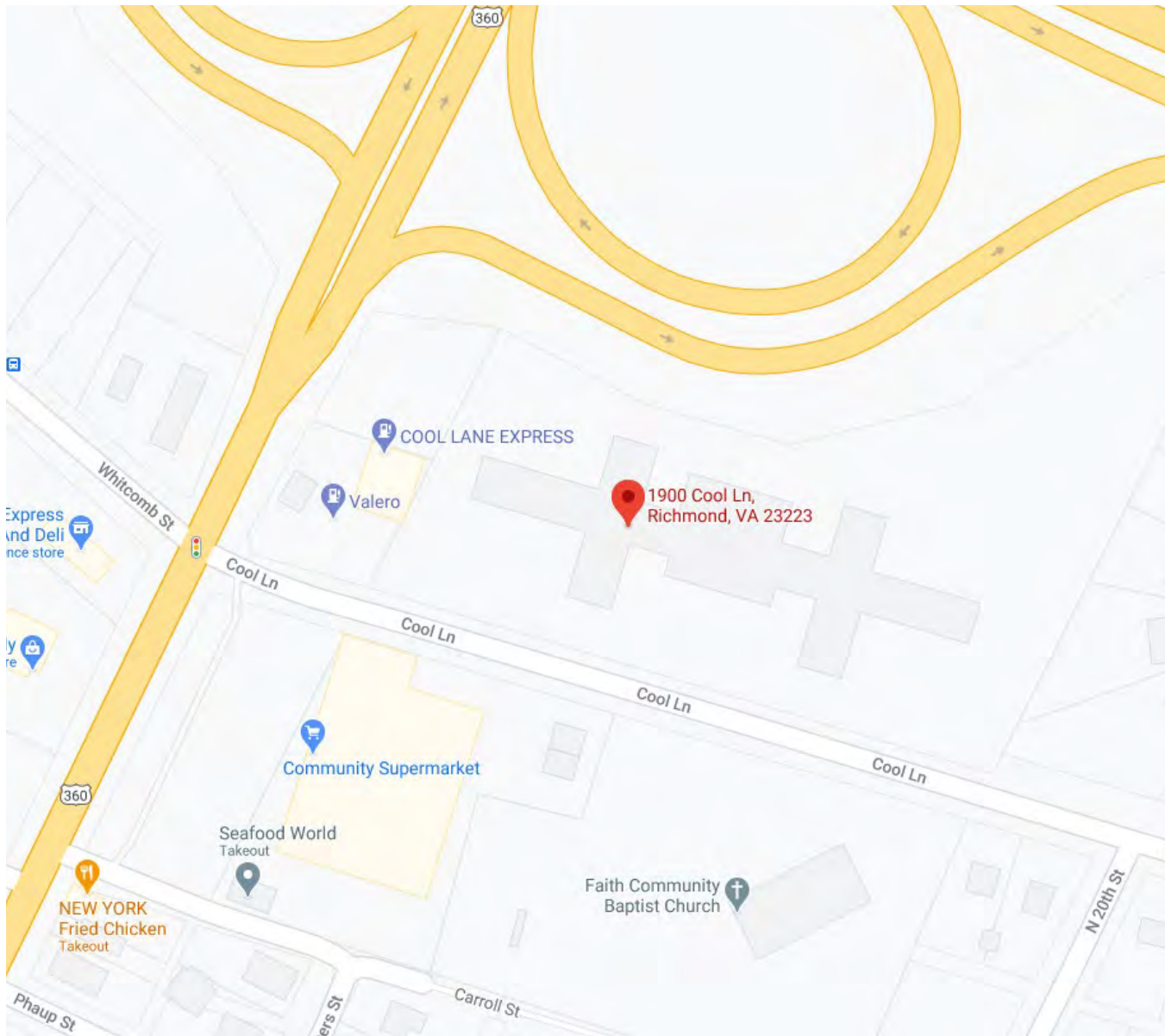
K.2

Location Map

Location Map:

Cool Lane Apartments
1900 Cool Lane
Richmond, VA 23223



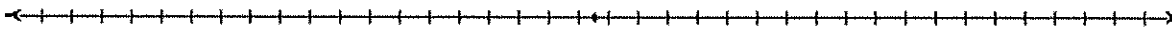


K.3

Surveyor's Certification of
Proximity to Public
Transportation



201 Twinridge Lane
North Chesterfield, Virginia 23235
804-320-2646 Office



Job Proposal

Surveyor's Certification of Proximity to Transportation

DATE: February 9, 2021

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

RE: 2021 Tax Credit Reservation Request

Name of Development: Cool Lane Apartments

Name of Owner: Cool Lane Apartments, LLC

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 ½ mile of the nearest access point to an existing commuter rail, light rail or subway station; **or**
- 1,320 feet or ¼ mile of the nearest access point to an existing public bus stop.

McKnight & Associates P.C. Professional Land Surveyors

Firm Name

By: 

Its: President

Title

L

PHA/Section 8 Notification Letter

Not Applicable.

M

Locality CEO Response
Letter

COMMONWEALTH OF VIRGINIA
COUNTY OF HENRICO



John A. Vithoukas
County Manager

February 4, 2021

Mr. J. D. Bondurant
Virginia Housing
601 South Belvidere Street
Richmond, VA 23220

Virginia Housing Tracking Number: 2022-ASH-04
Development Name: Cool Lane Apartments
Name of the Owner/Applicant: Cool Lane Apartments, LLC

Dear Mr. Bondurant:

The construction or rehabilitation of the above-named development and the allocation of federal housing tax credits available under IRC Section 42 for said development will help to meet the housing needs and priorities of Henrico County and the Richmond region. Accordingly, Henrico County supports the allocation of federal housing tax credits requested by Cool Lane Apartments, LLC for this development.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Vithoukas", written over a circular stamp or seal.

John A. Vithoukas
County Manager

N

Homeownership Plan

Not Applicable.

O

Plan of Development Certification Letter

Not Applicable.

P

Copies of 8609s to
Certify Developer
Experience and
Partnership agreements

Virginia Housing Experienced LIHTC Developers

Notes:

Updated:

3/10/2021

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.	30 Fitch, Hollis M.	58 Melton, Melvin B.
2 Arista, Roberto	31 Fore, Richard L.	59 Midura, Ronald J.
3 Asarch, Chad	32 Franklin, Wendell C.	60 Mirmelstein, George
4 Ayd, Tom	33 Friedman, Mitchell M.	61 Nelson, IV, John M.
5 Barnhart, Richard K.	34 Gardner, Mark E.	62 Orth, Kevin
6 Baron, Richard	35 Gunderman, Timothy L.	63 Page, David
7 Bennett, Vincent R.	36 Haskins, Robert G.	64 Parent, Brian
8 Burns, Laura P.	37 Heatwole, F. Andrew	65 Park, Richard A.
9 Chapman, Tim	38 Honeycutt, Thomas W.	66 Park, William N.
10 Cohen, Howard Earl	39 Hunt, Michael C.	67 Pasquesi, R.J.
11 Connelly, T. Kevin	40 Iglesias, Adrian	68 Pedigo, Gerald K.
12 Connors, Cathy	41 Jaeger, Jeffrey	69 Poulin, Brian M.
13 Copeland, M. Scott	42 Jester, M. David	70 Queener, Brad
14 Copeland, Robert O.	43 Johnston, Thomas M.	71 Rappin, Steve
15 Copeland, Todd A.	44 Jones Kirkland, Janice	72 Ripley, F. Scott
16 Cordingley, Bruce A.	45 Kirkland, Milton L.	73 Ripley, Ronald C.
17 Counselman, Richard	46 Kittle, Jeffery L.	74 Ross, Stephen M.
18 Crosland, Jr., John	47 Koogler, David M.	75 Salazar, Tony
19 Curtis, Lawrence H.	48 Koogler, David Mark	76 Sari, Lisa A.
20 Daigle, Marc	49 Lancaster, Dale	77 Sciortino, Richard
21 Dambly, Mark H.	50 Lawson, Phillip O.	78 Sinito, Frank T.
22 Deutch, David O.	51 Lawson, Steve	79 Stockmaster, Adam J.
23 Dischinger, Chris	52 Leon, Miles B.	80 Stoffregen, Phillip J.
24 Douglas, David D.	53 Lewis, David R.	81 Surber, Jen
25 Edmondson, Jim	54 Levitt, Michael	82 Taft Sr., Thomas F.
26 Edson, Rick	55 Margolis, Robert B.	83 Valey, Ernst
27 Eichler, Moshe	56 McCormack, Kevin	84 Uram, David
28 Ellis, Gary D.	57 McNamara, Michael L.	85 Wilson, Stephen
29 Fekas, William L.		86 Woda, Jeffrey J.
		87 Wohl, Michael D.
		88 Wolfson, III, Louis

NON-PROFITS, LHAs & (PUBLICLY TRADED) CORPORATIONS

- 1 AHC, Inc.
- 2 Alexandria RHA
- 3 Arlington Partnership for Affordable Housing (APAH)
- 4 Atlantic Housing Foundation, Inc.
- 5 Better Housing Coalition
- 6 Buckeye Community Hope Foundation
- 7 Community Housing Partners
- 8 Community Housing, Inc.
- 9 ElderHomes (dba Project: Homes)
- 10 Enterprise Homes, Inc
- 11 Fairfax County RHA
- 12 Homes for America, Inc.
- 13 Humanities Foundation, Inc.
- 14 Huntington Housing, Inc.
- 15 LEDIC Realty Company, LLC
- 16 Newport News RHA
- 17 NHT Communities
- 18 Norfolk Redevelopment Housing Authority
- 19 People Incorporated
- 20 Piedmont Housing Alliance
- 21 Preserving US, Inc.
- 22 Portsmouth RHA
- 23 RHA/Housing, Inc.
- 24 Rush Homes
- 25 The Community Builders
- 26 Virginia Supportive Housing
- 27 Virginia United Methodist Housing Development Corporation
- 28 Wesley Housing Development Corporation

Q

Documentation of
Rental Assistance, Tax
Abatement and/or
Existing HUD/RD

Board of Commissioners
Robert J. Adams, Chairman

Veronica G. Blount
Marilyn B. Olds
Elliott M. Harrigan
Samuel S. Young, Jr.
Jonathan Coleman
Robley S. Jones
Heidi Abbott
Neil S. Kessler



February 28, 2019

Interim Chief Executive Officer
Orlando C. Artze
901 Chamberlayne Parkway
P.O. Box 26887
Richmond, VA 23261-6887
804-780-4200
Fax 804-780-8712
TTY: Dial 7-1-1
www.rrha.com

Virginia Supportive Housing
Attn: Allison Bogdanovic, Executive Director
8002 Discovery Drive, Suite 201
Richmond, VA 23229
Abogdanovic@virginiassupportivehousing.org

Dear Allison Bogdanovic:

Thank you for responding to Richmond Redevelopment and Housing Authority's Request for Proposal No. RRHA-RFP-2019-04 for Project Based Vouchers (PBVs) issued on **February 05, 2019**. In response to your proposal, I am pleased to inform you that you have been awarded **16** PBVs for the **1900 Cool Lane** located at **1900 Cool Lane, Richmond, VA.** The term of the PBVs will be for 15 years subject to the execution of a HAP contract. This commitment is in effect from March 1, 2019 - September 1, 2021 (30 months) subject to your satisfactory compliance with the terms and conditions stipulated in the aforementioned RFP.

In addition, if you indicated in your response to the aforementioned RFP that your project was applying for Low Income Housing Tax Credits (LIHTCs) through VHDA, then this commitment is contingent upon the receiving an allocation of Low Income Housing Tax Credits no later than **December 31, 2019.**

Again, congratulations on receiving this commitment. We look forward to working with you.

Sincerely,



Kerry L. James,
Director of Procurement and Contract Administration

cc/ file

Board of Commissioners
Veronica G. Blount, Chairman

Neil S. Kessler
Marilyn B. Olds
Elliott M. Harrigan
Samuel S. Young, Jr.
Jonathan Coleman
Robley S. Jones
Robert J. Adams



March 4, 2020

Chief Executive Officer
Damon E. Duncan
901 Chamberlayne Parkway
P.O. Box 26887
Richmond, VA 23261-6887
804-780-4200
Fax 804-780-8712
TTY: Dial 7-1-1
www.rrha.com

Allison Bogdanovic, Executive Director
Virginia Supportive Housing
8002 Discovery Dr. Ste. 201
Richmond, VA 23229
Aboganovic@virginiасupportivehousing.org

Dear Ms. Bogdanovic

Thank you for responding to Richmond Redevelopment and Housing Authority's Request for Proposal No. RRHA-RFP-2020-01 for Project Based Vouchers (PBVs) issued on **January 10, 2020**. In response to your proposal, I am pleased to inform you that you have been awarded **70** PBVs for **Cool Lane Apts.** located at **1900 Cool Lane, Richmond VA 23229**. The term of the PBVs will be for 15 years subject to the execution of a HAP contract. This commitment is in effect from March 4, 2020 - September 3, 2022 (30 months) subject to your satisfactory compliance with the terms and conditions stipulated in the aforementioned RFP.

In addition, if you indicated in your response to the aforementioned RFP that your project was applying for Low Income Housing Tax Credits (LIHTCs) through VHDA, then this commitment is contingent upon the receiving an allocation of Low Income Housing Tax Credits no later than **December 31, 2020**.

Again, congratulations on receiving this commitment. We look forward to working with you.

Sincerely,

Arthur J. Walker, CPPO
Director of Procurement and Contract Administration

cc/ file

INTRODUCED: February 11, 2019

AN ORDINANCE No. 2019-028

To declare surplus and to direct the sale of City-owned real estate located at 1900 Cool Lane and 2011 Mechanicsville Turnpike for nominal consideration to Virginia Supportive Housing for the purpose of facilitating the redevelopment thereof.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: FEB 25 2019 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That, notwithstanding the provisions of sections 8-58(c) or 8-60 of the Code of the City of Richmond (2015), as amended, to the contrary, the real estate owned by the City of Richmond, located at 1900 Cool Lane and 2011 Mechanicsville Turnpike and identified as Tax Parcel Nos. R000-0025/001 and E012-0146/002, respectively, in the 2019 records of the City Assessor hereby is declared surplus real estate and is directed to be sold for nominal consideration to Virginia Supportive Housing for the purpose of facilitating the redevelopment thereof in accordance with the applicable provisions of Chapter 8 of the Code of the City of Richmond (2015), as amended (except sections 8-58(c) or 8-60 thereof), the Charter of the City

AYES: 7 NOES: 0 ABSTAIN: 1

ADOPTED: FEB 25 2019 REJECTED: _____ STRICKEN: _____

of Richmond (2018), as amended, the Code of Virginia (1950), as amended, and the Constitution of Virginia.

§ 2. That, pursuant to section 8-65(b) of the Code of the City of Richmond (2015), as amended, the Chief Administrative Officer is hereby directed to execute, on behalf of the City, the deed and such other documents, all of which must first be approved as to form by the City Attorney, as may be necessary to consummate the sale of such property.

§ 3. This ordinance shall be in force and effect upon adoption.

4-8509
JAN 16 2019



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

Office of the
Chief Administrative Officer

O&R REQUEST **RECEIVED**

DATE: January 15, 2019

JAN 31 2019
EDITION: 1

TO: THE HONORABLE MEMBERS OF CITY COUNCIL

OFFICE OF CITY ATTORNEY

THROUGH: THE HONORABLE LEVAR M. STONEY, MAYOR

JS 1/23/19
SD

THROUGH: SELENA CUFFEE-GLENN, CHIEF ADMINISTRATIVE OFFICER

THROUGH: LENORA G. REID, DEPUTY CHIEF ADMINISTRATIVE OFFICER, FINANCE & ADMINISTRATION

JS

THROUGH: DOUGLAS C. DUNLAP, INTERIM DEPUTY CHIEF ADMINISTRATIVE OFFICER FOR ECONOMIC DEVELOPMENT AND PLANNING

DD

THROUGH: JANE C. FERRARA, INTERIM DIRECTOR OF ECONOMIC DEVELOPMENT

JS

FROM: PAUL MCCLELLAN, PROGRAMS ADMINISTRATOR – REAL ESTATE STRATEGIES, ECONOMIC DEVELOPMENT

PM

RE: TO DECLARE AS SURPLUS AND AUTHORIZE THE CHIEF ADMINISTRATIVE OFFICER TO CONVEY THE CITY-OWNED PROPERTY LOCATED AT 1900 COOL LANE (HENRICO COUNTY TAX PARCEL # 799-726-0294) AND 2011 MECHANICSVILLE TURNPIKE (RICHMOND TAX PARCEL # E0120146002)

ORD. OR RES. No. _____

PURPOSE: To declare as surplus and authorize the conveyance of the City-owned property located at 1900 Cool Lane (Henrico County Tax Parcel #799-726-0294) AND 2011 Mechanicsville Turnpike (Tax Parcel # E0120146002)) from the City to Virginia Supportive Housing (the Purchaser)

REASON: The properties located at 1900 Cool Lane and 2011 Mechanicsville Turnpike were operated as the former Seven Hills Nursing Home which was owned and managed by the Hospital Authority of Richmond. The nursing home ceased operation in 2008 and the property was conveyed to the City of Richmond in 2009. The properties have remained vacant and underutilized since that time. By conveying these properties to

O & R Request

Virginia Supportive Housing the City will facilitate the creation of much needed affordable housing and permanent supportive housing for formerly homeless adults as well as stimulate private investment, job creation and economic development in the area.

RECOMMENDATION: The City Administration including the Department of Economic Development recommends approval.

BACKGROUND: The 1900 Cool Lane parcel consists of approximately 5.34 acres of land and a 90,000 square foot building that was previously operated as a nursing home. The 2011 Mechanicsville Turnpike parcel consists of approximately 0.38 acres of land and is developed as a parking lot to serve the adjacent nursing home. The site was formerly the Seven Hill Nursing Home which was operated by the Hospital Authority of Richmond. The existing zoning of the property is B-2 (Community Business) within the City for the 0.38 acre parcel and A-1 (Agricultural District) within Henrico County for the 5.34 acre parcel.

Virginia Supportive Housing is proposing to redevelop the properties with high quality, much needed affordable housing and permanent supportive housing for formerly homeless adults. They propose up to 105 multi-family dwelling units within the existing building with a unit mix that will include zero, one and two-bedroom units. Virginia Supportive Housing has initiated an application to the Henrico County Board of Supervisors to rezone the 1900 Cool Lane parcel from A-1 to R-6 (General Residence) in order to allow their proposed use. The offeror hopes to complete the rezoning of the 1900 Cool Lane parcel by February 2019 and plans to file for VHDA Low Income Housing Tax Credits in March 2019. The offeror intends to complete construction of the property improvements by December 2021 and they project a total development cost of \$30 million. The last time the building was occupied was January 14, 2008 and the building has experienced significant deterioration since that time due to vandalism and deferred maintenance of the property. Virginia Supportive Housing is asking the City to donate the 2 parcels to them at no cost to the offeror. The total 2018 Henrico County Assessment for the 1900 Cool Lane parcel including land and improvements is \$2,754,500. The total 2019 City of Richmond Assessment for the 2011 Mechanicsville Turnpike parcel including land and improvements is \$172,000.

In accordance with City Code Section 8-58 (which was amended by Ordinance No. 2017-069 on November 13, 2017) the Department of Economic Development is required to solicit competitive bids for the property prior to making a recommendation to sell the property and submitting an Ordinance to City Council requesting authorization for the CAO to sell a property. The City Attorney's Office has confirmed that this request to donate City property would likely be classified as an Unsolicited Offer and would therefore be subject to the City Code Section 8-58 requirements. However the City Attorney's office has advised that City Council may override the Code Section 8-58 procedures by ordinance if it wishes to proceed with the donation of this property to Virginia Supportive Housing.

O & R Request

FISCAL IMPACT/COST TO CITY: The conveyance of this property will result in \$0.00 in sales proceeds to the City.

FISCAL IMPLICATIONS: None other than the City will no longer need to expend funds to maintain and secure the existing building and site.

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: Once the property is sold for redevelopment will become taxable real estate on the City's real estate tax rolls.

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: February 11, 2019

CITY COUNCIL PUBLIC HEARING DATE: February 25, 2019

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: City Planning Commission February 19, 2019.

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Mayor, Chief Administrative Officer, Public Utilities, Budget, Public Works, Economic Development, Housing and Community Development

RELATIONSHIP TO EXISTING ORD. OR RES.: None

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: Letter from Virginia Supportive Housing dated October 16, 2018 requesting that the City donate the former Seven Hills Nursing Home site.

STAFF:

Douglas Dunlap, Planning and Economic Development 646-6822

Jane Ferrara, Economic Development 646-6737

Paul McClellan, Economic Development 646-3061

October 16, 2018

BOARD OF DIRECTORS

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Jason Snook

Allison Bogdanović
Executive Director

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Robert C. Sledd

T. K. Somanath

Wallace Stettinius

Nancy B. Stutts

James Ukrop

Ms. Selena Cuffee-Glenn
Chief Administrative Officer, City of Richmond
900 East Broad Street, Suite 201
Richmond, Virginia 23219

Re. **Unsolicited Offer for City-Owned Real Estate**
Seven Hills Health Care Center | 1900 Cool Lane

Dear Ms. Cuffee-Glenn:

On behalf of Virginia Supportive Housing (VSH), please receive this unsolicited offer made pursuant to Sec. 8-58 of the Code of the City concerning vacant property owned by the City of Richmond formerly known as the Seven Hills Health Care Center and located at 1900 Cool Lane in Henrico County (the "Property").

VSH desires to acquire and redevelop the Property into beautiful, high-quality, and much-needed affordable housing and permanent supportive housing for formerly homeless adults, as further described in the enclosed project summary. In connection with this proposal, we request that the City initiate (or permit VSH to initiate on the City's behalf) an application to the Board of Supervisors of Henrico County to amend the zoning district classification of the Property from A-1 agricultural to R-6 general residence. If approved, the rezoning would permit VSH's proposed use of the Property, which includes up to 105 multifamily dwelling units comprised of zero-, one- and two-bedrooms and VSH offices. This residential community will be specifically designed to provide affordable housing and permanent supportive housing for formerly homeless adults.

As you know, VSH has three decades of experience and success with the adaptive reuse and construction of high quality affordable housing with permanent supportive services for formerly homeless adults. We have developed, own, and currently operate 17 properties across the Commonwealth. This track record speaks to VSH's commitment to working with stakeholders in this community to ensure that this neighborhood's existing residents and our entire region will benefit from the proposed reinvestment. With the City's assistance in meeting the critical timeline detailed in the enclosed project summary, those benefits could become visible as soon as late 2020.

The proposed project has the strong support and endorsement of Henrico County's Manager, John Vithoulkas, subject to approval of the necessary rezoning by the Henrico County Board of Supervisors. This regional partnership between the City, Henrico County, and VSH, as a non-profit leader in the development of high-quality, sustainable affordable housing will demonstrate the wisdom of this approximately \$30 million investment in a community where affordable housing, churches and schools, coffee shops and market-priced condominiums can co-exist and thrive.

We hope that the enclosed proposal describes a vision that the City will embrace and help us achieve. Should you have any questions or require any further information in connection with this request, please contact me via phone (804-332-0500) or email (abogdanovic@virginiassupportivehousing.org). We look forward to your response.

Sincerely,



Allison Bogdanovic
Executive Director, Virginia Supportive Housing

cc: Honorable Members, Richmond City Council (via email)
T. Preston Lloyd, Jr., Esq., Williams Mullen (via email)

COOL LANE APARTMENTS

Collaborating to create homes for our community's most vulnerable

CONTENTS

- Summary
- Proposed Use of the Property
- Financial Ability of VSH to Provide for Proposed Use
- Community Impact of Project
- Purchase Price Offered
- Photos of Similar Projects

SUMMARY

Virginia Supportive Housing (VSH) requests that the City of Richmond authorize the transfer of title to the Property, which has been vacant for ten years, to Virginia Supportive Housing for the purpose of redevelopment into approximately 105 high-quality zero-, one- and two-bedroom units as further outlined in this proposal. The City presently owns the land and improvements located on the Property, which is in Henrico County. The City's approval will enable VSH to redevelop the property into a new residential community that will provide much-needed affordable housing and permanent supportive housing for formerly homeless adults.

PROPOSED USE OF THE PROPERTY

Description – The proposed development will renovate a vacated assisted living facility on Cool Lane in Henrico, Virginia into approximately 105 zero-, one- and two-bedroom units. Upon its completion, the adaptive reuse of this facility will be a mixed-income community with units available for both formerly homeless and low-income individuals earning 50% or less of the area median income. The property will incorporate best practices that reflect VSH's 30 years of experience developing affordable housing, such as the following:

- The units will range in size from approximately 500 to 950 square feet and will include a private full bathroom and kitchen with full-size appliances.
- The building will contain a large community room with a kitchen, a resident computer lab, a phone room for resident use, a fitness room, laundry facilities, a front desk, staff offices for on-site support services and property management staff, and off-street parking.
- The building will have an extensive security system, and the front desk will be staffed sixteen hours a day with a night monitor on call during the evening hours.
- Residents will sign a lease and pay 30% of their income for rent. In Richmond, the average annual income of our most vulnerable clients is \$7,579.

The entire development will meet the Virginia Housing and Development Authority's (VHDA) Universal Design guidelines and be certified for green building and resource and energy efficiency.

ABILITY OF VSH TO PROVIDE FOR PROPOSED USE

Costs and funding sources - The projected total cost for the development is \$30,000,000. VSH has a proven track record of successfully obtaining diverse funding sources for its supportive housing redevelopments, which include the following:

- Low Income Housing Tax Credits
- National Housing Trust Fund
- DHCD: Virginia Housing Trust Fund, HOME, Permanent Supportive Housing
- Local CDBG and HOME
- City of Richmond Affordable Housing Trust Funds
- Federal Home Loan Bank of Atlanta AHP
- The Home Depot Foundation
- Private Foundations
- VHDA REACH Loan

Timeline – The following provides a high-level view of the timeline, including actions taken to-date and activities based on our experience completing 17 similar projects across three regions of Virginia.

2010	City of Richmond asks VSH to consider acquiring the vacant property at 1900 Cool Lane and converting it into permanent supportive housing. VSH expresses interest, but Henrico County is unable to move forward at that time.
July 2018	Henrico County confirms with VSH Executive Director Allison Bogdanovic that they are prepared to consider a permanent supportive housing community within Henrico County. County Manager John Vithoukas proposes the Cool Lane location as a viable option.
September 6, 2018	Initial meeting between VSH team and City Administration to discuss prospective proposal and confirm process.
September and October 2018	VSH begins informational meetings with project stakeholders and potential partners.
October 12, 2018	VSH presents the City with unsolicited offer for the site.
November 8, 2018	Filing deadline for submission of Application to County
Nov. 2018 – February 2019	Complete rezoning process
March 2019	VSH submits LIHTC application to VHDA
April 2019 – December 2020	Acquire funding, complete HUD review, construction drawings
January 2021	Begin construction
December 2021	Complete construction
June 2022	Complete lease-up

Rezoning Request - As a component of the proposal, we request the City's approval of the filing of a rezoning application with the County by November 8, 2018. The form of application will be submitted to the City for review and comment on or prior to the deadline. This will enable VSH to obtain the rezoning prior to the March 2019 deadline to apply for Low-Income Housing Tax Credits (LIHTC) from Virginia Housing Development Authority (VHDA). We request assistance from all necessary City stakeholders (e.g. Mayor's Office, Administration and City Council) in navigating this accelerated timeline so that more than 100 people in need will have a home in 2021.

Track record - VSH currently owns and operates 17 apartment communities. Of those, five are new construction featuring 60-80 units, and 12 are renovations or adaptive reuse of existing buildings, including New Clay House, our flagship property in Richmond. In 1992, VSH's founders purchased and renovated the historic building in Richmond's Carver neighborhood and opened Virginia's first supportive housing community. Since that time, VSH has opened 16 other properties in Virginia and honed its supportive housing development expertise considerably. In 2017, with critical support from the City, we began renovating and expanding New Clay House from 47 units to 80, bringing it up to the agency's current standards to foster independence and build community among residents. The renovated community will feature 67 units for formerly homeless individuals and 13 units for individuals earning 50% or less of AMI. A detailed summary of VSH's supportive projects is included as Exhibit A to this Proposal.

Today, emerging best practices promote an even more diverse mixed-income model. Our leadership team is analyzing how to modify our model to better align with those practices. As with the proposed community at Cool Lane, we are evolving our model of affordable housing to serve formerly homeless and extremely low-income individuals. Such properties help build stronger, more diverse neighborhoods.

Mission and history - VSH's mission is to end homelessness in Virginia by providing permanent housing and supportive services. Our approach works. Of those we serve, 97% remain permanently housed.

The organization was founded in 1988 by a small group of volunteers who shared the goal of helping homeless individuals in Richmond. In 1992, with the opening of New Clay House in Richmond's Carver neighborhood, VSH became the first agency to develop and manage supportive housing in Virginia. Today, VSH provides permanent supportive housing to more than 900 individuals living in Richmond, Hampton Roads, and Charlottesville. We accomplish our mission by:

- Creating affordable supportive housing opportunities by constructing new or rehabilitating old properties into apartments that VSH owns and operates and by partnering with private landlords to lease apartments to our clients.
- Offering comprehensive supportive services to help clients achieve housing, health, and economic stability.
- Serving as a leading provider of rapid rehousing and supportive services to veterans. VSH has played a significant role in Virginia's efforts to end veteran homelessness.

COMPATIBILITY OF PROPOSAL WITH CITY'S MASTER PLAN

The proposed use of the Property furthers the goals of, and is compatible with, the City's master plan. The redevelopment will more evenly distribute the region's burden to provide housing for its most vulnerable residents and will help the City to foster a more equitable distribution of low cost and assisted housing throughout Metro Richmond. Reducing the City's disproportionate share of responsibility for subsidized housing falls squarely within the objectives of the Master Plan. [MP pp 103].

The proposed adaptive reuse benefits a challenged area of the City where vacant and abandoned structures are a source of blight. [MP pp 121]. This redevelopment will not only resurrect a vacant building, it will also improve the appearance of the Mechanicsville Turnpike Corridor and Fairfield Gateway. This is a step toward the master plan goal of maintaining a high quality visual environment along the gateways into the City. [MP pp 29]. By finding a new residential use for an otherwise obsolete and currently vacant building, VSH can achieve Richmond's master plan goal of eliminating the negative appearance of abandoned property while it simultaneously achieves our shared goal to serve the formerly homeless and the vulnerable. This win-win not only benefits both VSH and the City, it further advances the City's cooperative goal of supporting initiatives that engage the surrounding counties to solve low- and moderate-income housing problems. [MP pp 100].

The proposed use provides housing to residents who might otherwise require services from RRHA's public housing, and further, it gives residents the support they need to remain independent. This achieves a targeted strategy laid out in Richmond's master plan to address the public housing problem by replacing public housing units with a tenant-based system. [MP pp 106].

Finally, this project represents a partnership the City can support that fits within one of the master plan's Basic Premises as to housing, namely, that maintaining decent, affordable housing requires investment and reinvestment from the private sector. [MP pp 102]. VSH has a proven track record of achieving funding from both private and public sector sources to maintain our 17 communities across the Commonwealth.

COMMUNITY IMPACT OF PROJECT

Need – The renovated property will serve formerly homeless adults and adults earning 50% or less of AMI (area median income). For these individuals, affordable rental housing is the primary tool that decreases their chances of experiencing homelessness.

The need to serve these vulnerable populations is critical. Homeward's January 2018 Point In Time (PIT) count, completed January 24, 2018, identified 535 adults experiencing homelessness in the Richmond region. The City of Richmond Affordable Housing Strategy Final Report prepared by David Paul Rosen & Associates for the City in November 2014 cites, "There are nearly 8,400 renter households, representing one in five households in Richmond, that earn less than 30% of AMI (\$21,900 per year for a family of four in 2014) and pay more than 50% of their limited gross income on housing (rent plus utilities). These households represent the most severe housing need for the City." [Rosen pp 2].

Benefits - VSH has always targeted individuals with the highest levels of need and the longest histories of street homelessness, including those who are chronically homeless, medically vulnerable or severely mentally ill. We follow the "Housing First" model, which calls for housing individuals first, then providing supportive services to help them maintain housing stability. We customize those services according to each person's needs. The outcomes we achieve are proof our organization is successfully working to enable low-income individuals and our communities to grow and prosper.

Of the clients we served in Richmond in 2017, 97% remain permanently housed. The benefits extend from the individual to the community. It costs a community approximately \$31,000 per year for a chronically homeless person to be homeless. Conversely, it costs an average of only \$10,000 per year to provide this same individual with permanent supportive housing. (Shinn, G. 2014).

Community engagement – VSH believes that collaboration is the key to providing quality, cost-effective services and programs tailored to the needs of the community. Our partnerships with local governments, public housing authorities and community development financial entities have pioneered an extraordinary example of regional cooperation for the public good.

In Richmond, Homeward coordinates the region's planning efforts. VSH is an active participant in the process, attends meetings, shares data, and identifies services gaps. The Richmond Behavioral Health Authority, The Daily Planet, Bon Secours, VCU Health Systems, the Department of Veterans Affairs, the Department of Social Services, CARITAS and other homeless service providers are partners in providing essential services to VSH clients.

For a project of this scale, our collaboration begins well before we break ground. We have spoken with the Cool Lane Civic Association and the Central Gardens Civic Association in addition to the pastor of Faith Community Baptist Church, and we will continue our dialogue with the community.

PROPOSED PRICE OFFERED

The current proposal requests that the City contribute the property at no cost to VSH, which will leverage the diverse sources of funds described above to achieve this transformative redevelopment.

EXHIBIT A

Virginia Supportive Housing Supportive Studio Apartments for Homeless and Low-Income Single Adults

- **New Clay House— 1125 West Clay Street, Richmond**
 - Developed in 1992
 - 47 studio units with supportive services for homeless adults
 - First SRO in Virginia
 - Total cost of \$1,900,000
 - Sources of funds included: low-income housing tax credits, state, and private foundation funds
 - Currently under construction to renovate and expand to 80 supportive studio units
 - Total cost of \$19,000,000
 - Sources of funds included: low-income housing tax credits, historic tax credits, state HOME and Housing Trust Funds, National Housing Trust Funds, Richmond and Henrico CDBG funds, Richmond Affordable Housing Trust Funds, Federal Home Loan Bank of Atlanta AHP funds, a VHDA REACH Loan, and private foundation funds

- **South Richmond SRO— 5409 Hull Street Road, Richmond**
 - Developed in 1996, expanded in 2011, and renovated in 2016
 - 60 studio units with supportive services for homeless adults
 - Total cost of \$9,500,000 (expansion \$3,500,000 and renovation \$6,000,000)
 - Sources of funds included: low-income housing tax credits, state HOME and Housing Trust Funds, Richmond CDBG, Henrico CDBG, Chesterfield CDBG, Richmond Affordable Housing Trust Funds, Federal Home Loan Bank of Atlanta AHP funds, a VHDA REACH Loan, and private foundation funds

- **Gosnold Apartments— 2425 Gosnold Avenue, Norfolk**
 - Developed in 2006
 - 60 studio units with supportive services
 - Total cost of \$5,600,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, and private foundation funds

- **Cloverleaf Apartments— 964 South Military Highway, Virginia Beach**
 - Developed in 2008
 - 60 studio units with supportive services
 - Total cost of \$6,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, and private foundation funds

- **South Bay Apartments—1600 South Street, Portsmouth**
 - Developed in 2010
 - 60 studio units with supportive services
 - Total cost of \$6,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, and private foundation funds

- **The Crossings at Fourth and Preston— 401 Fourth Street NW, Charlottesville**
 - Developed in 2012
 - 60 studio units with supportive services
 - Total cost of \$6,700,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, a VHDA REACH loan, Federal Home Loan Bank of Atlanta AHP, and private foundation funds

- **Heron’s Landing—2133 South Military Highway, Chesapeake**
 - Developed in 2012
 - 60 studio units with supportive services
 - Total cost of \$9,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, Federal Home Loan Bank of Atlanta AHP, and private foundation funds

- **Crescent Square—1333 Diamond Springs Road, Virginia Beach**
 - Developed in 2016
 - 80 studio units with supportive services
 - Total cost of \$12,400,000
 - Sources of funds included: low-income housing tax credits, state HOME and Housing Trust Funds, local CDBG and HOME, Federal Home Loan Bank of Atlanta AHP, a VHDA REACH loan, and private foundation funds

- **Church Street Station Studios—2016 Church Street, Norfolk**
 - Developed in 2017
 - 80 studio units with supportive services
 - Total cost of \$13,900,000
 - Sources of funds included: low-income housing tax credits, state HOME, local CDBG and HOME, Federal Home Loan Bank of Atlanta AHP, a VHDA REACH loan, and private foundation funds

Sec. 20-80. - Partial exemption for rehabilitated, renovated or replacement multifamily residential rental units.

- (a) *Exemption authorized.* Partial exemption from real estate taxes is hereby provided in accordance with the provisions of this section for qualifying property devoted to multifamily residential rental units whose structures are rehabilitated in accordance with the criteria set out in Code of Virginia, § 58.1-3220 and this section.
- (b) *Qualifications.* For the purposes of this section, multifamily residential rental real estate shall be deemed to be substantially rehabilitated when a structure on such real estate which is no less than 26 years old and no more than 39 years old has been so improved as to increase the assessed value of the structure by no less than 50 percent, but without increasing the total footage of such structure by more than 100 percent, or when a structure on such real estate which is no less than 40 years old has been so improved as to increase the assessed value of the structure by no less than 50 percent. As used in this section, the terms "rehabilitation" and "rehabilitated" shall also include situations in which the structures on the property have been demolished and replaced with new structures for multifamily residential rental use.
- (c) *Application; determination of base value; application fee.*
- (1) As a requisite for qualifying for partial tax exemption, the owner of the structure shall, prior to or simultaneously with making application for a building permit to rehabilitate such structure, file with the county's director of finance, upon forms furnished by him, an application to qualify such structure as a rehabilitated multifamily residential rental structure. Upon receipt of an application for tax exemption, the director of finance shall determine a base fair market value assessment (referred to in this section as base value) of the structure as it was immediately prior to commencement of rehabilitation. If rehabilitation has already commenced at the time the base value is determined, then the base value may be determined using the best information available to the director of finance. The tax assessment of the improvements located upon the qualifying real estate shall be considered in determining the base value. The base value shall serve as a basis for determining whether the rehabilitation increases the assessed value of such structure by at least 50 percent.
 - (2) The application to qualify for tax exemption shall be effective for three years from the date on which the director of finance determines the base value. If, by such expiration date, rehabilitation has not progressed to such a point that the assessed value of the structure is at least 50 percent greater than the base value of such structure, then to retain such eligibility a new application to qualify for tax exemption must be filed prior to the expiration date and a new base value established. In no event, however, shall there be more than two additional applications following the initial application on any structure, except that where a rehabilitation project encompasses at least 50 contiguous acres on which demolition of all structures takes place within one year of the initial application, a total of six additional applications following the initial application may be filed. The new base value shall be based upon the value of the improvements as of the date of the most recent application. Under no circumstances shall any new base value be less than the original base value.
 - (3) The initial application to qualify for the rehabilitated structure tax exemption and any subsequent application must be accompanied by a payment of a fee of \$50.00, which fee shall be applied to offset the cost of processing such application, making the required assessments, and making an annual inspection to determine the progress of the work.

- (d) *Inspection of progress of work; effective date of exemption.*
- (1) During the period between the receipt of the application and the time when the director of finance may ascertain that the assessed value has increased by at least 50 percent, the owner of the property shall be subject to taxation upon the full fair market value of the property. An owner may, at any time prior to November 1 of any calendar year in which rehabilitation of a structure is underway, submit a written request to the director of finance to inspect the structure to determine if it then qualifies for the rehabilitated property exemption.
 - (2) When it is determined that the rehabilitation is completed and that it has resulted in at least a 50 percent increase in assessed value (base value is exceeded by 50 percent or more), the tax exemption shall become effective beginning on January 1 of the next calendar year.
- (e) *Credit memorandum.* The owner of property qualifying for partial exemption of real estate taxes because of rehabilitation of a structure shall be issued a credit memorandum in the amount of the difference in taxes computed upon the base value and the assessed value of the property resulting from the rehabilitation for each year of a seven-year period of exemption from real estate taxes. Such seven-year period shall begin as specified in subsection (d) of this section. Additional increases resulting from increases in value occurring in subsequent years of the seven-year period shall not be eligible for partial tax relief. Such credit memorandum shall be surrendered when payment is made of the real estate taxes payable for the year for which such credit memorandum has been issued. Each credit memorandum timely surrendered shall be credited in its full amount against the taxes due for the real estate for which partial exemption has been obtained. Each credit memorandum so surrendered shall be charged against an appropriation made by the board of supervisors for the purpose of honoring such credit memorandums.
- (f) *Credit to run with land.* Exemption from taxation of real estate qualifying for the rehabilitation exemption shall run with the land, and the owner of such property during each of the seven years of exemption shall be entitled to receive a credit memorandum for such partial exemption from taxation.
- (g) *Methods of evaluation.* In determining the base value of a structure and whether the rehabilitation results in a 50 percent increase over such base value, the director of finance shall employ usual and customary methods of assessing real estate.
- (h) *Exemption not applicable to demolition of historic structures.* Where rehabilitation is achieved through demolition and replacement of an existing structure, the exemption provided in this section shall not apply when any structure demolished is a registered state landmark or is determined by the state's department of historic resources to contribute to the significance of a registered historic district.
- (i) *Condition of the property.* Upon making application to qualify for partial tax exemption, an applicant shall certify that the property that is the subject of the application, including the real estate upon which the structure is located, shall be maintained in compliance with all Code requirements. Failure to properly maintain the property in compliance with all Code provisions shall be grounds for denial of the requested partial tax exemption.

(Code 1995, § 20-74; Ord. No. 1019, § 2, 10-23-2001; Ord. No. 1031, § 1, 8-13-2002; Ord. No. 1150, § 1(20-74), 11-23-2010; Ord. No. 1194, § 1, 4-22-2014; Ord. No. 1253, § 2, 2-26-2019)

State Law reference— Partial exemption for certain rehabilitated, renovated or replacement residential structures authorized, Code of Virginia, § 58.1-3220.

R

Documentation of
Operating Budget
and Utility Allowance

Documentation of Operating Budget

The proposed operating budget for Cool Lane Apartments was based on the current operating budget for New Clay House II, an 80-unit permanent supportive housing development in Richmond. Expenses in the operating budget reflect projected 2022 operating costs. A breakdown of the miscellaneous budget categories are included below.

Miscellaneous Administrative Costs:

Pre-employment Screening	\$408.00
IT Contract	\$7,200.00
Computer Software	\$4,198.00
Office Equipment Leasing	\$3,000.00
Bad Debts	\$7,500.00
Credit Reports	\$540.00
Criminal Reports	\$460.00
Staff Mileage	\$1,500.00
Staff Training	\$1,800.00
Travel/Lodging	\$300.00
Membership Dues	\$375.00
Conferences	\$200.00
Meals	\$400.00
Resident Activities	\$1,200.00
Asset Management Fee	\$11,450.00

Miscellaneous Operating Costs:

Exterminating Supplies	\$250.00
Appliances	\$350.00
Fire Alarm Suppression	\$3,125.00
Security Maintenance and Repairs	\$500.00
Equipment Repair and Replacement	\$2,000.00
Telephone Equipment	\$150.00

Miscellaneous Taxes/ Business/ Permits Costs:

Personal property taxes, inspections, and tags	\$1,820.00
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S

Supportive Housing
Certification

Virginia Housing 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).

Homeless Individuals	
Low-Income Individuals	

4. List the types of supportive services to be offered.

Case Management	Community Engagement and Social Support
Housing Stabilization	Employment, Education, and Vocational Support
Independent Living Skills	Transition Planning

5. Who will be providing supportive services?

Virginia Supportive Housing	

6. What percentage of the total number of units will be marketed to and held available for tenants in need of supportive services?

100 %

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).

March 15, 2021

Date

Allison Bogdanovic
Owner/Applicant

By: Allison Bogdanovic

Its: Executive Director

Title

Allison Bogdanovic
Service Provider

By: Allison Bogdanovic

Its: Executive Director

Title

Virginia Supportive Housing

VHDA Permanent Supportive Housing Services Certification

Developments where Virginia Supportive Housing provides Permanent Supportive Housing Services:

<u>Name</u>	<u>Location</u>	<u>Units</u>	<u>Services Offered</u>
New Clay House II	Richmond	80	*See below
Gosnold Apartments	Norfolk	60	*See below
Cloverleaf Apartments	Virginia Beach	60	*See below
South Bay Apartments	Portsmouth	60	*See below
Studios at South Richmond	Richmond	60	*See below
The Crossings at Fourth and Preston	Charlottesville	60	*See below
Heron's Landing	Chesapeake	60	*See below
Crescent Square	Virginia Beach	80	*See below
Church Street Station Studios	Norfolk	80	*See below

*Supportive services offered at each property are similar; see the attached description of Virginia Supportive Housing on-site supportive services.



PERMANENT SUPPORTIVE HOUSING

SUPPORTIVE SERVICES PROGRAM DESCRIPTION

On-Site Supportive Services provided by Virginia Supportive Housing (VSH)

Case Management

VSH supportive services staff assist tenants with accessing mainstream community services and resources, monitor the quality and effectiveness of those services, and ensure coordination of care to promote achievement of each individual's personal goals including maintaining housing, securing work or entitlement income, and improving health and mental health conditions. We engage residents who seek services in developing a housing stabilization/care plan that outlines their individual goals and strategies needed to achieve their goals.

Housing Stabilization

Supportive services staff engage residents in activities that promote a consistent and safe housing environment. We offer mediation services with property management staff when required to minimize lease violations and delinquency. We provide move-in support and orientation to new residents. We coordinate with community partners and donors to provide essential household items.

Independent Living Skills

Supportive services staff provide individual and group counseling to help individuals resolve life issues, promote recovery and community integration, and manage mental health symptoms. Skills training is provided to improve individuals' abilities to budget and manage finances, manage medication, secure and maintain employment, and develop positive social supports. Crisis prevention, intervention, and stabilization is provided to individuals experiencing acute distress. Other activities of daily living include navigating public transportation, nutrition and diet, personal hygiene, household cleaning and maintenance, medication management, and interpersonal skills.

Community Engagement and Social Support

Supportive services staff work with our residents to ensure a strong sense of social connectedness in the apartment community as well as with the larger community in which they are located. For example, individuals participate in community meetings, attend civic association meetings and community events, plan and participate in recreational and volunteer activities, and engage in family reunification as appropriate.

Employment, Education, and Vocational Support

Supportive services staff provide assistance with resumes and employment searches. We connect residents with workforce development initiatives that may include, but are not limited to, teaching employable skills, computer classes, returning to school, and GED tutoring.

Transition Planning

Supportive services staff help coordinate transition to other subsidized housing with less intensive services when appropriate. We do this through our move-on program that connects those residents who are ready to transition to a more independent setting without on-site services. We ensure the resident is connected with community providers as their unique needs require and provide a year of follow-up services so that they can continue to be stably housed. In addition, we coordinate external placements for those who can no longer live independently and need a higher level of care, such as an assisted living or nursing facility. Lastly, we offer next of kin services to coordinate burial/memorial services.



3/11/2019

Dear Virginia Supportive Housing,

Congratulations on becoming a CORES certified organization!

The Certified Organization for Resident Engagement & Services (CORES) Certification recognizes owners that have developed a robust commitment, capacity, and competency in providing resident services coordination in affordable rental homes. The CORES Certification is applicable across the entire portfolio and is inclusive of family, senior and supportive housing communities (www.coresonline.org).

The CORES Certification recognizes Virginia Supportive Housing's investment in and development of the tools necessary to implement a robust system of resident services coordination under the Direct Model.

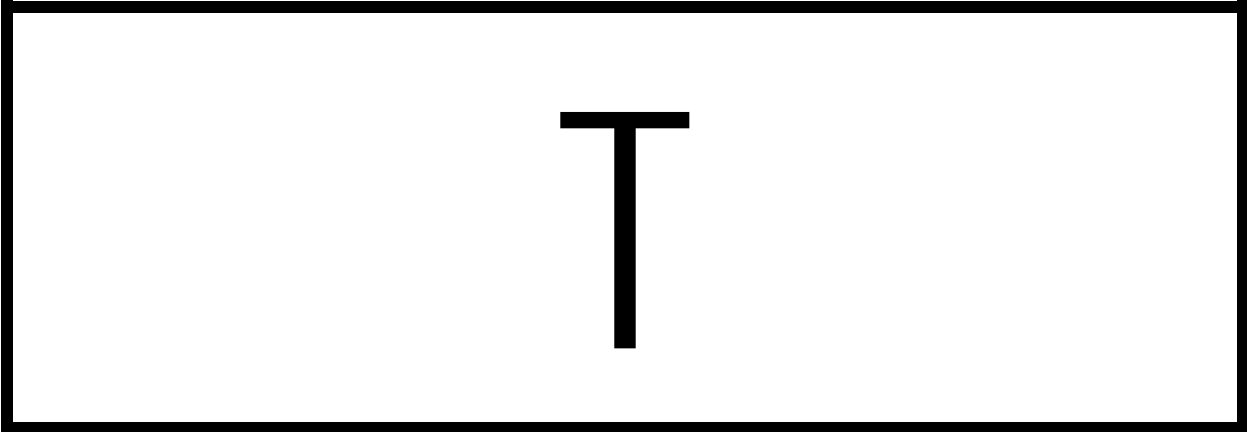
We have provided a version of the CORES logo which recognizes your organization as CORES certified. Please feel free to use this logo on your website or any other promotional materials.

The CORES certification lasts **five years** and will expire on March 11, 2024. We recommend starting the renewal process three months in advance of the certification expiration date.

If you have any further questions, please contact us at cores@sahfnet.org.

Sincerely,

Eileen Fitzgerald
President and CEO
SAHF



T

Funding Documentation



Atlantic Union Bank

SUMMARY TERM SHEET

Revised: March 10, 2020 (changes in **bold**)

Atlantic Union Bank (“Bank”) is pleased to present this Term Sheet, for discussion purposes only, which outlines the terms and conditions the Bank will consider in making a loan to the Borrower.

Borrower: Cool Lane Apartments, LLC with Cool Lane Apartments Development Corporation, Inc. as its Managing Member. The ownership and structure of the Borrower shall be acceptable to the Bank.

Purpose: The Loan shall be a non-revolving construction loan for the purpose of funding a portion of the renovation of a 90,000 sf building into 86 affordable apartments and 5,000 sf of commercial office space to be known as Cool Lane Apartments located at 1900 Cool Lane in Richmond Virginia (the “Project”) with a proposed budget as follows:

Source of Funds	Amount of Funds
LIHTC Equity (50.90)	\$ 8,549,145
Solar Credit Equity (50.90)	\$ 53,995
Total	\$ 8,603,140
VHDA REACH Loan	\$ 3,579,043
VHDA MUMI Loan	\$ 625,000
DHCD National Housing Trust Fund	\$ 650,000
DHCD HOME Loan	\$ 650,000
DHCD Virginia Housing Trust Fund	\$ 700,000
DHCD Housing Trust Fund Pre-Development	\$ 100,000
Henrico County CDBG	\$ 500,000
City of Richmond HOME	\$ 500,000
Chesterfield County HOME	\$ 250,000
City of Richmond AHTF	\$ 100,000
Bon Secours/ VCU Health	\$ 300,000
Federal Home Loan Bank of Atlanta	\$ 500,000
Windsor Foundation	\$ 25,000
BB&T	\$ 25,000
Schaberg	\$ 200,000
Cabell Foundation	\$ 100,000
Reinhart Foundation (Anonymous)	\$ 25,000
Solar Fund of Community Foundation	\$ 200,000
The Scott Foundation	\$ 50,000
The Mary Morton Parsons Foundation	\$ 300,000
The Home Depot Foundation	\$ 100,000
Developer Equity	\$ 854
MM Contribution	\$ 100
Total	\$ 9,479,997
Total Development Costs	\$ 18,083,137

Cool Lane	
Development Budget	
Land	\$ -
Building	\$ -
Subtotal	\$ -
Hard Costs	
Site Improvements	\$ 750,000.00
Unit Structures	\$ 8,030,000.00
Commercial Space Costs	\$ 625,000.00
Demolition/Abatement	\$ 550,000.00
Bonding Fee	\$ 125,000.00
General Conditions @ 4%	\$ 398,200.00
Overhead @4%	\$ 398,200.00
Profit @ 6%	\$ 597,300.00
Solar (includes GROHP)	\$ 200,000.00
Subtotal	\$ 11,673,700.00
Hard Cost Contingency (10%)	\$ 1,147,370.00
Soft Costs	
A & E Fees	\$ 600,000.00
Construction Management	\$ 85,000.00
Building Permit	\$ 80,000.00
Wood Destroying Report	\$ 2,500.00
Construction Inspection Fee	\$ 5,000.00
AHP Third Party Cost Analysis	\$ 10,000.00
Environmental Study and Geotech	\$ 25,000.00
Structural/ Mechanical Study	\$ 15,000.00
Utilities	\$ 35,000.00
EarthCraft	\$ 25,800.00
Other - Davis Bacon/ Section 3 Monit	\$ 35,000.00
Special Inspections	\$ 50,000.00
Construction Loan Fee	\$ 150,000.00
Construction Loan Interest	\$ 650,000.00
Taxes During Construction	\$ 24,000.00
Insurance During Construction	\$ 78,750.00
Appraisal Fee	\$ 10,000.00
Market Study	\$ 5,000.00
Survey	\$ 15,000.00
Predevelopment Loan Interest	\$ 50,000.00
Predevelopment Loan Fees	\$ 15,000.00
Perm Loan Fees	\$ 25,000.00
Perm Closing Fees	\$ 50,000.00
Title & Recording	\$ 100,000.00
Legal Fees Syndication	\$ 40,000.00
Legal Fees Construction	\$ 50,000.00
Legal Fees Partnership	\$ 100,000.00
Legal Fees Permanent	\$ 50,000.00
Tax Credit Fee	\$ 67,500.00
Marketing & Pre-Leasing	\$ 50,000.00
Misc- printing and design	\$ 5,000.00
Cost Certification/ Audit	\$ 12,000.00
Furniture and Computers	\$ 350,000.00
Subtotal	\$ 2,865,550.00
Soft Cost Contingency	\$ 83,077.00
Fees and Reserves	
Developer's Fee	\$ 1,737,640.00
Operating Reserve	\$ 500,000.00
Capitalized Replacement Reserves	\$ 25,800.00
Lease Up Reserve	\$ 50,000.00
Subtotal	\$ 2,313,440.00
Total	\$ 18,083,137

The above proposed budget is considered preliminary and final loan approval shall be subject to the Bank's approval of the final sources and uses of funds. **Borrower shall notify Bank of receipt of various funding sources and use of those funding sources toward approved Project costs. Loan funding shall be available to bridge timing differences between costs incurred and the receipt of various funding sources.** Advances shall be funded toward approved project costs no more frequently than monthly, subject to appropriate documentation and inspection and in accordance with a construction loan agreement. Note that this will be a construction loan only and the Bank does not intend to extend its loan beyond the Maturity.

Loan Amount: Up to \$10,000,000.

Interest Rate Options:

1. Floating at Wall Street Journal Prime Rate minus 0.5% or
2. Fixed at closing at the 2 year LIBOR swap rate plus a spread of 2.75%. If fixed today, the rate would be 4.16%.

Interest payable monthly and may be funded out of the construction loan interest line item of the project budget.

Term/Maturity: Thirty (30) months from closing.

Fees: 0.5% of the Loan Amount.

Prepayment: The Loan may be prepaid in part or in full at any time without penalty.

Collateral: First lien deed of trust, assignment of rents and security agreement on the Project and all fixtures, furnishings, equipment, receivables and accounts, including proceeds/investor capital contributions generated by the syndication of low income housing tax credits and solar credits for which the Project is eligible and to the extent assignable, all other sources of grants, credits and proceeds thereof shall also be assigned to the Bank. In addition, Borrower's non-investor members shall assign/pledge all of their respective membership interests in Borrower to Bank as additional collateral.

Recourse: Virginia Supportive Housing and Cool Lane Apartments Development Corporation, Inc. shall fully and unconditionally guaranty the Loan.

Additional
Information:

Receipt of the following information will be necessary prior to closing:

1. All financial information requested by Bank.
2. All legal documentation for Borrower and Guarantor (operating agreements, resolutions, etc).
3. Standard construction documentation, including plans and specifications, construction, engineering and architectural contracts, site plans, surveys, permits, and other documentation as requested by the Bank.
4. Confirmation of all funding sources and viability of funding, including the application for and final determination of tax credits approved and assigned to the Project by VHDA, capital investment from investment members, permanent loans/grants/subsidies from VHDA, FHLB, DHCD, DHCH, localities, foundations or other sources as approved by the Bank in aggregate amounts sufficient to fully repay the subject construction loan by stated maturity.

Other Requirements:

1. Maintenance of a financial condition satisfactory to the Bank.
2. Standard underwriting and due diligence requirements including, but not limited to, flood determination and insurance, if required, preconstruction review of plans, specifications and final budget, permits, environmental evaluation and an appraisal acceptable to the Bank on the property being used as collateral.
3. **Intentionally deleted.**
4. Evidence of all appropriate governmental approvals, zoning approvals and Tax Credit approvals shall be provided to Bank prior to closing.

Costs:

Borrower will be responsible for all costs of this transaction.

This Summary of Terms and Conditions is presented for discussion purposes only and is not a commitment to lend. The actual terms and conditions of any commitment to lend are subject to completion of due diligence satisfactory to Atlantic Union Bank. This Summary of Terms and Conditions is confidential and cannot be disclosed to third parties without the prior written consent of Atlantic Union Bank.

If the above terms and conditions are acceptable to you, the Bank will proceed with completing the underwriting of the loan according to Bank policies.

Accepted by: Allison Bogdanovic

Date: 3/11/20



Ralph S. Northam
Governor

R. Brian Ball
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

Erik C. Johnson
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

January 27, 2020

Ms. Elizabeth Nice
Virginia Supportive Housing
8002 Discovery Drive
Richmond, VA 23229

Re: Affordable and Special Needs Housing Funding
Proposal

Dear Ms. Nice

On behalf of the Department of Housing and Community Development (DHCD), it gives me great pleasure to inform you that Virginia Supportive Housing will receive a preliminary offer from the Fall 2019 funding pool Affordable and Special Needs Housing competitive loan pool in the amount of \$650,000 in federal NHTF funds to support the Cool Lane Apartments.

Please note that you will receive further communication regarding the need to execute a NHTF program agreement within the next few weeks. A NHTF program agreement must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in an allocation and reservation of federal NHTF funds and a formal loan commitment.

An allocation of federal NHTF funds requires a developer to designate a specific number of targeted units at 30% AMI. The specific number of NHTF-assisted units will be determined prior to the execution of the NHTF program agreement. No work activities on the proposed project can be initiated prior to fully executing the NHTF program agreement. A HUD required environmental review must be completed, and any adjustment to the capital budget, operating expense budget, pro forma numbers and other project parameters must be approved by DHCD before the program agreement can be executed.

A member of our Housing Finance Unit will be contacting you to begin the contract negotiation process. We are pleased to be of assistance to Virginia Supportive Housing in its affordable housing efforts.

Sincerely,

Pamela G. Kestner
Deputy Director of Housing

Partners for Better Communities



www.dhcd.virginia.gov



Ralph S. Northam
Governor

R. Brian Ball
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

Erik C. Johnston
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

January 27, 2020

Ms. Elizabeth Nice
Virginia Supportive Housing
8002 Discovery Drive
Richmond, VA 23229

Re: Affordable and Special Needs Housing Funding
Proposal

Dear Ms. Nice

On behalf of the Department of Housing and Community Development (DHCD), it gives me great pleasure to inform you that Virginia Supportive Housing will receive a preliminary offer from the Fall 2019 funding pool Affordable and Special Needs Housing competitive loan pool in the amount of **\$650,000 in federal HOME funds** to support the Cool Lane Apartments.

Please note that you will receive further communication regarding the need to execute a HOME program agreement within the next few weeks. A HOME program agreement must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in an allocation and reservation of federal HOME funds and a formal loan commitment.

An allocation of federal HOME funds requires a developer to designate a specific number of targeted units at 50% and 60% AMI. The specific number of HOME-assisted units will be determined prior to the execution of the HOME program agreement. No work activities on the proposed project can be initiated prior to fully executing the HOME program agreement. A HUD required environmental review must be completed, and any adjustment to the capital budget, operating expense budget, pro forma numbers and other project parameters must be approved by DHCD before the program agreement can be executed.

A member of our Housing Finance Unit will be contacting you to begin the contract negotiation process. We are pleased to be of assistance to Virginia Supportive Housing in its affordable housing efforts.

Sincerely,

Pamela G. Kestner
Deputy Director of Housing

Partners for Better Communities



www.dhcd.virginia.gov



Ralph S. Northam
Governor

R. Brian Ball
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

Erik C. Johnston
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

January 27, 2020

Ms. Elizabeth Nice
Virginia Supportive Housing
8002 Discovery Drive
Richmond, VA 23229

Re: Affordable and Special Needs Housing Funding
Proposal

Dear Ms. Nice

On behalf of the Department of Housing and Community Development (DHCD), it gives me great pleasure to inform you that Virginia Supportive Housing will receive a preliminary offer from the Fall 2019 funding pool Affordable and Special Needs Housing competitive loan pool in the amount of \$700,000 in state VHTF funds to support the Cool Lane Apartments.

Please note that you will receive further communication regarding the need to execute a VHTF program agreement within the next few weeks. A VHTF program agreement must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in an allocation and reservation of state VHTF funds and a formal loan commitment.

An allocation of state VHTF funds requires a developer to designate a specific number of targeted units at 80% AMI. The specific number of VHTF-assisted units will be determined prior to the execution of the VHTF program agreement. No work activities on the proposed project can be initiated prior to fully executing the VHTF program agreement. A HUD required environmental review must be completed, and any adjustment to the capital budget, operating expense budget, pro forma numbers and other project parameters must be approved by DHCD before the program agreement can be executed.

A member of our Housing Finance Unit will be contacting you to begin the contract negotiation process. We are pleased to be of assistance to Virginia Supportive Housing in its affordable housing efforts.

Sincerely,

Pamela G. Kestner
Deputy Director of Housing

Partners for Better Communities



www.dhcd.virginia.gov



City of Richmond

**Housing & Community
Development**

May 28, 2020

Allison Bogdanovic
Executive Director
Virginia Supportive Housing
PO Box 8585
Richmond, VA 23226

AHTF COVID 20-05
Grant Number

Dear Ms. Bogdanovic:

I am pleased to inform you that the City of Richmond's (the City) Affordable Housing Trust Fund (AHTF) Board has approved a grant in the amount of \$600,000 to Virginia Supportive Housing (VSH) to provide eighty-six (86) units of permanent supportive housing (Cool Lane Apartments). The AHTF grant will be made in accordance with the following terms and conditions:

1. VSH's project will use the AHTF COVID-19 grant proceeds to reuse a former nursing facility into eighty-six (86) units of permanent supportive housing for formerly homeless and low-income individuals earning 50% area median income or less;
2. This Grant shall be in effect for a one-year period that will begin upon full execution of the grant agreement between the City and VSH. The grant term may be extended in writing for an additional year through a written amendment to the agreement by City and signed by both parties. Such extension shall be based on project status and funding availability;
3. AHTF may disburse the grant funds to VSH in installments if satisfaction of the conditions listed below are met:
 - a. two countersigned copies of this letter;
 - b. a written request by VSH for the disbursement, which shall contain:
 - i. the disbursement amount requested;

- ii. the requested date of disbursement;
 - iii. a breakdown of the costs to be paid with the disbursement; and
 - iv. invoices or bills supporting the costs to be paid with the disbursement, if applicable;
 - v. draws may be conducted as follows:
 - i. 40% when permits are issued,
 - ii. 40% upon meeting the 50% construction completion milestones,
 - iii. 10% upon issuance of Certificate of Occupancy,
 - iv. 10% upon submission of final report to AHTF Program Administrator;
 - c. a good standing certificate for VSH dated no more than 12 months prior to the date of this Agreement; and
 - d. the most recent audited financial statements of VSH;
4. The City's Department of Housing and Community Development's staff will not make any disbursement of grant funds unless, VSH is in compliance with all the terms and conditions of this letter applicable to the AHTF grant;
5. Any funds not disbursed by the expiration date of the AHTF grant period indicated above shall be automatically reprogrammed by AHTF Board and shall no longer be available under the AHTF grant. The AHTF grant term may be extended, provided that a written request is submitted to the AHTF grant administrator for approval and an amendment to this letter is duly executed;
6. In its use of funds provided by AHTF, and in its development, marketing and operation of the Project, VSH shall fully comply with all applicable federal, state, local, anti-discrimination laws, executive orders, rules and regulations;
7. AHTF shall not be obligated to disburse any proceeds of the AHTF grant if, at the time of the proposed disbursement, VSH, or any other subsidiary of VSH, or any partnership affiliated with VSH is in default under the terms of any AHTF financing, whether for the Project, or provided by AHTF for any other project or purpose. In addition, AHTF shall not be obligated to disburse any proceeds of the AHTF Grant if there have been any material adverse changes in the financial or other condition of VSH or the Project, including, but not limited to, any adverse changes in the key personnel of VSH working on the Project (AHTF will determine, in its discretion, what would constitute an adverse change in key personnel);
8. VSH must submit quarterly progress reports and annual financial statements to the AHTF grant administrator.
 - a. A written final report relating to the Grant and covering the entire grant period, as described in Paragraph 1, above, shall be sent to AHTF's grant administrator at the City of Richmond, Department of Housing and

Community Development 1500 East Main Street, Suite 400, Richmond, Virginia 23219 upon completion. Such reports shall be signed by an appropriate officer of VSH and contain:

- i. a financial statement reflecting all expenditures of grant funds by VSH according to the purposes of the grant described in this letter, as of the end of the period covered by the report; and
 - ii. a narrative account of what was accomplished during that period toward achieving the goals of the Grant by the expenditure of Grant funds;
9. AHTF may monitor and conduct an evaluation of operations under the AHTF Grant. Such evaluation may include a visit from AHTF personnel to observe VSH program/project, to discuss said program/project with VSH's personnel, and/or to review financial and other records and materials relating to the activities financed or facilitated by the AHTF grant;
10. VSH may not assign or transfer its rights, or delegate any of its obligations associated with this award; and
11. The City may include information regarding the AHTF grant in its periodic public reports. The City may also refer to the AHTF grant in press releases, in which case a copy of each such release will be sent to you in advance. City staff requests that, until such a press release is issued, VSH not make any public announcement relating to the AHTF grant without first consulting the AHTF grant administrator referred to below.

The AHTF grant administrator overseeing the grant described in this letter is Nacole Mason, Management Analyst Senior, Department of Housing and Community Development, City of Richmond. All correspondence concerning said grant should be addressed to her at Nacole.Mason@richmondgov.com.

If this letter correctly sets forth VSH's understanding of the terms and conditions of the AHTF grant, please indicate acceptance of and agreement to said terms and conditions by having two of the enclosed copies of this letter countersigned and dated by an authorized officer of VSH in the spaces provided below and returned to City of Richmond, Department of Housing and Community Development, AHTF's Grants Administrator, at 1500 East Main Street, Suite 400 Richmond, Virginia 23219, no later than June 5, 2020. If the AHTF Grant letters are not returned by that date, the AHTF commitment shall be withdrawn.

By countersigning the enclosed copies of this letter below, VSH confirms that its tax-exempt status under Section 501(c) (3) is still in effect. If determination is revoked or modified, VSH shall so notify AHTF grant administrator as soon thereafter as possible.

AHTF Grant
Virginia Supportive Housing
May 28, 2020

On behalf of AHTF Board and the City, I extend every good wish for the success of this endeavor.

Sincerely,

A handwritten signature in black ink, appearing to read "Sharon Ebert". The signature is fluid and cursive, with a large initial "S" and "E".

Sharon L. Ebert
DCAO & Acting Director
Dept. of Housing & Community Development

C: Lenora Reid, Acting CAO
Michelle Peters, Deputy Director DHCD
Mary Blow, HCD Administrator

(Please see next page for countersignature)

AHTF Grant
Virginia Supportive Housing
May 28, 2020

TERMS OF AHTF GRANT ACCEPTED AND AGREED TO:

By:	<u>Allison Bogdanovic</u>	<u>Allison Bogdanovic</u> (name & address)
Title:	<u>Executive Director</u>	<u>P.O. Box 8585, Richmond VA 23226</u> (Title)
Date:	<u>June 4, 2020</u>	<u>Executive Director</u>

Payment check should be directed to:

Allison Bogdanovic

at the following address:

Virginia Supportive Housing, P.O. Box 8585, Richmond VA 23226



**COUNTY OF HENRICO, VIRGINIA
BOARD OF SUPERVISORS
MINUTE**

Agenda Item No. 156-19

Page No. 1 of 2

Agenda Title: RESOLUTION — Authorizing the County Manager to Submit the Henrico County Annual Consolidated Action Plan, including the CDBG, HOME and ESG Program Plans for Fiscal Year 2019-20; to Execute the CDBG, HOME and ESG Agreements for Fiscal Year 2019-20; and to Execute Contracts to Implement the CDBG, HOME and ESG Activities.

<p>For Clerk's Use Only:</p> <p>Date: <u>6/26/2019</u></p> <p><input checked="" type="checkbox"/> Approved</p> <p><input type="checkbox"/> Denied</p> <p><input type="checkbox"/> Amended</p> <p><input type="checkbox"/> Deferred to: _____</p>	<p>BOARD OF SUPERVISORS ACTION</p> <p>Moved by (1) <u>O'Bannon</u> Seconded by (1) <u>Koramin</u></p> <p>(2) _____ (2) _____</p> <p>REMARKS:</p> <p align="center">APPROVED</p>	<table border="0"> <tr> <td></td> <td>YES</td> <td>NO</td> <td>OTHER</td> </tr> <tr> <td>Branin, T.</td> <td align="center"><u>✓</u></td> <td align="center">___</td> <td align="center">___</td> </tr> <tr> <td>Nelson, T.</td> <td align="center"><u>✓</u></td> <td align="center">___</td> <td align="center">___</td> </tr> <tr> <td>O'Bannon, P.</td> <td align="center"><u>✓</u></td> <td align="center">___</td> <td align="center">___</td> </tr> <tr> <td>Schmitt, D.</td> <td align="center"><u>✓</u></td> <td align="center">___</td> <td align="center">___</td> </tr> <tr> <td>Thornton, F.</td> <td align="center"><u>✓</u></td> <td align="center">___</td> <td align="center">___</td> </tr> </table>		YES	NO	OTHER	Branin, T.	<u>✓</u>	___	___	Nelson, T.	<u>✓</u>	___	___	O'Bannon, P.	<u>✓</u>	___	___	Schmitt, D.	<u>✓</u>	___	___	Thornton, F.	<u>✓</u>	___	___
	YES	NO	OTHER																							
Branin, T.	<u>✓</u>	___	___																							
Nelson, T.	<u>✓</u>	___	___																							
O'Bannon, P.	<u>✓</u>	___	___																							
Schmitt, D.	<u>✓</u>	___	___																							
Thornton, F.	<u>✓</u>	___	___																							

WHEREAS, Henrico County is an entitlement community under the U.S. Department of Housing and Urban Development ("HUD") Community Development Block Grant ("CDBG") Program, as authorized by Title I of the Housing and Community Development Act of 1974; and,

WHEREAS, the County's CDBG entitlement for Fiscal Year 2019-20 is \$1,678,478, and the County has prepared the attached proposed sources and uses of CDBG entitlement funds; and,

WHEREAS, \$92,064 in unspent CDBG funds from previous years is included in the proposed use of CDBG funds in Fiscal Year 2019-20; and,

WHEREAS, the County is an entitlement community under the HUD HOME Investment Partnerships Program ("HOME") as authorized by the HOME Investment Partnerships Act of 1990; and,

WHEREAS, the County's HOME entitlement for Fiscal Year 2019-20 is \$857,308, and the County has prepared the attached proposed sources and uses of HOME entitlement funds; and,

WHEREAS, Henrico County is an entitlement community under the HUD Emergency Solutions Grants ("ESG") Program, as authorized by the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009; and,

WHEREAS, the County's ESG entitlement for Fiscal Year 2019-20 is \$143,640, and the County has prepared the attached proposed sources and uses of ESG entitlement funds; and,

WHEREAS, localities are required to submit an Annual Consolidated Action Plan ("Plan") as a condition of receiving CDBG, HOME and ESG funds, and the Department of Community Revitalization has prepared the required Plan for submission to HUD with the proposed uses of CDBG, HOME and ESG funds shown on the attached table.

By Agency Head *[Signature]* By County Manager *[Signature]*

Routing:
Yellow to: _____
Copy to: _____

Certified: _____
A Copy Teste: _____
Clerk, Board of Supervisors
Date: _____

**COUNTY OF HENRICO, VIRGINIA
BOARD OF SUPERVISORS
MINUTE**

Agenda Item No. 150-19
Page No. 2 of 2

Agenda Title: RESOLUTION — Authorizing the County Manager to Submit the Henrico County Annual Consolidated Action Plan, including the CDBG, HOME and ESG Program Plans for Fiscal Year 2019-20; to Execute the CDBG, HOME and ESG Agreements for Fiscal Year 2019-20; and to Execute Contracts to Implement the CDBG, HOME and ESG Activities.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors that it: (1) approves the 2019-20 Plan, including the proposed uses of CDBG, HOME and ESG funds for Fiscal Year 2019-20; (2) authorizes the County Manager to submit the Plan; and (3) authorizes the County Manager to execute the CDBG, HOME, and ESG agreements for Fiscal Year 2019-20 and the contracts necessary to implement the CDBG, HOME and ESG program activities in a form approved by the County Attorney.

COMMENTS: The Director of Community Revitalization recommends approval of this Board paper, and the County Manager concurs.

Fiscal Year 2019-2020 CDBG, HOME, & ESG Programs

Sources & Uses of Funds

SOURCES	CDBG	HOME	ESG
FY 2019-20 Allocation	\$1,678,478	\$857,308	\$143,640
Funds Brought Forward	\$92,064		
Total Available	\$1,770,542	\$857,308	\$143,640

CDBG/HOME USES

1. CDBG & HOME Administration	255,000	85,000	
2. Commercial Assistance Program	196,000		
3. Enterprise Zone Design Assistance	20,000		
4. CONNECT Program	171,500		
5. project:HOMES - Homeowner Rehabilitation Program	121,542	453,308	
6. project:HOMES - Critical Home Repair Program	571,500		
7. HOME Inc. - Downpayment Assistance	27,500	125,000	
8. Southside Community Development & Housing Corp. - Downpayment Assistance	18,000	65,000	
9. CHDO Activities Rehab for Sale - Undesignated		129,000	
10. HOME Inc. - Fair Housing Outreach and Education	15,000		
11. Rebuilding Together of Richmond - Home Repair Program County-wide	25,000		
12. Virginia Supportive Housing - Cool Lane Apartments	250,000		
13. Circle Center Adult Day Services - HVAC replacement	43,000		
14. Sandston Historic Area Survey	26,500		
15. Commonwealth Catholic Charities - Homeless Prevention	30,000		

ESG USES

1. ESG Administration			10,700
2. Housing Families First - Hilliard House Emergency Shelter Program			42,000
3. CARITAS - Case Management for shelter clients			20,000
4. YWCA of Richmond - Greater Richmond Regional Domestic Violence Hotline			14,500
5. Homeward - Homeless Management Information System			2,500
6. Commonwealth Catholic Charities - Homeless Outreach			24,000
7. HomeAgain - Rapid Rehousing Program			29,940

TOTAL	\$1,770,542	\$857,308	\$143,640
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**COUNTY OF HENRICO, VIRGINIA
BOARD OF SUPERVISORS
MINUTE**

Agenda Item No. 178-20

Page 2 of 2

Agenda Title: RESOLUTION – Authorization to Submit Henrico County FY 2020-25 Consolidated Plan and FY 2020-21 Annual Action Plan, including the CDBG, HOME and ESG Program Plans for FY 2020-21; to Execute the CDBG, HOME and ESG Agreements for FY 2020-21; and to Execute Contracts to Implement the CDBG, HOME and ESG Activities

WHEREAS, localities are required to submit a Consolidated Plan and an Annual Action Plan (“Plan”) as a condition of receiving CDBG, HOME and ESG funds, and the Department of Community Revitalization has prepared the required Plans for submission to HUD with the proposed uses of CDBG, HOME and ESG funds shown on the attached table.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors that it: (1) approves the County’s Five-Year Consolidated Plan and FY 2020-21 Action Plan, including the proposed uses of CDBG, HOME and ESG funds for FY 2020-21; (2) authorizes the County Manager to submit the Plans to HUD; and (3) authorizes the County Manager to execute the CDBG, HOME, and ESG agreements with HUD for FY 2020-21 and the contracts necessary to carry out the CDBG, HOME and ESG program activities, all in a form approved by the County Attorney.

Comments: The Director of Community Revitalization recommends approval of this Board paper, and the County Manager concurs.

Fiscal Year 2020-2021 CDBG, HOME, & ESG Programs

Sources & Uses of Funds

SOURCES	CDBG	HOME	ESG
FY 2020-2021 Allocation	\$1,729,959	\$919,624	\$147,484
Funds Brought Forward	\$36,371		
Total Available	\$1,766,330	\$919,624	\$147,484

CDBG/HOME USES

1. CDBG & HOME Administration	260,000	90,000	
2. Commercial Assistance Program	201,000		
3. Enterprise Zone Design Assistance	48,000		
4. CONNECT Program	160,000		
5. project:HOMES - Homeowner Rehabilitation Program	71,662	503,124	
6. project:HOMES - Critical Home Repair Program	571,418		
7. Habitat for Humanity - Critical Home Repair Program	50,000		
8. HOME Inc. - Downpayment Assistance	41,250	121,500	
9. Southside Community Development & Housing Corp. - Downpayment Assistance	18,000	65,000	
10. CHDO Activities Rehab for Sale - Undesignated		140,000	
11. HumanKind - Ways to Work Program	20,000		
12. Circle Center Adult Day Services - Security Improvements	30,000		
13. HOME Inc. - Housing Stability Program	45,000		
14. Sandston Historic Area Survey	30,000		
15. Bus Stop Shelters	40,000		
16. Commonwealth Catholic Charities - Targeted Prevention and Diversion	30,000		
17. Virginia Supportive Housing - Cool Lane Apartments	150,000		

ESG USES

1. ESG Administration			11,000
2. Housing Families First - Hilliard House Emergency Shelter Program			44,484
4. CARITAS - Case Management for shelter clients			20,000
5. YWCA of Richmond - Greater Richmond Regional Domestic Violence Hotline			15,500
6. Homeward - Homeless Management Information System			2,500
7. Commonwealth Catholic Charities - Homeless Outreach			24,000
8. HomeAgain - Rapid Rehousing Program			30,000

TOTAL	\$1,766,330	\$919,624	\$147,484
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July 28, 2020



COMMONWEALTH OF VIRGINIA
COUNTY OF HENRICO

John A. Vithoukas
County Manager

March 3, 2021

Ms. Allison Bogdanovic
Virginia Supportive Housing
8002 Discovery Drive, Suite 201
Richmond, VA 23229

Re: Cool Lane Apartments – Funding Commitment

Dear Ms. Bogdanovic:

This letter serves as a notification that the County of Henrico has committed \$100,000 in County General Funds to support the development of Cool Lane Apartments. A Subrecipient Agreement outlining funding terms will follow this commitment.

Sincerely,

John A. Vithoukas
County Manager



Arthur L. Fleming

Senior Vice President and Director
Community Investment Services

November 4, 2020

Ms. Rene Shepperson
Senior Commercial Real Estate Banker
Atlantic Union Bank
P.O. Box 940
Ruther Glen, VA 22546

Re: Federal Home Loan Bank of Atlanta
2020 AHP Competitive Awards
20A04008, Cool Lane Apartments

Dear Ms. Shepperson:

I am pleased to inform you that on October 29, 2020, the Federal Home Loan Bank of Atlanta (FHLBank Atlanta) board of directors awarded \$500,000 to Atlantic Union Bank and its developer partner(s) to help fund Cool Lane Apartments, as part of our 2020 Affordable Housing Program (AHP). This project represents more than \$20.2 million in total housing development.

AHP funding is a direct outcome of FHLBank Atlanta's sound management approach and prudent business strategy. The funding provided through AHP is an important component of the products and services that FHLBank Atlanta provides to facilitate our shareholders' business development and community reinvestment objectives. Since 1990, FHLBank Atlanta has deployed more than \$1.05 billion in funding for more than 165,755 affordable housing units. This investment leverages more than \$18.07 billion in affordable housing funding for low- and moderate-income families.

Attached you will find the AHP Agreement. **FHLBank Atlanta must receive a copy of this Agreement executed by an authorized signature from your organization, Project Sponsor(s) and Project Owner, as are defined in the AHP Agreement, by December 1, 2020. FHLBank Atlanta must also receive, with the signed Agreement, a certificate of existence of the owner entity on all projects in which the Project Sponsor and the Project Owner are not the same.**

The milestones and time limits for the project are as described in the AHP Implementation Plan. Those project milestones and time limits for your project are:

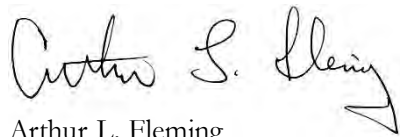
- Funding sources committed by October 29, 2021.
- Atlantic Union Bank must take down the entire AHP direct subsidy by April 29, 2022. The funds must be used for approved purposes, as specified in the AHP application, within 30 days of disbursement.
- The deadline for project completion is **January 29, 2024**.

The primary vehicle for managing projects and for business communications with FHLBank Atlanta will be FHLBank Atlanta's online system. FHLBank Atlanta staff will communicate only with those parties

designated in the AHP Agreement as Member and Project Sponsor(s). The Member and primary Project Sponsor will use the online system to request funds, manage project activity, and provide monitoring reports. It is the responsibility of the Member and the Project Sponsor(s) to ensure that all AHP requirements are met and that AHP funds are used as specified in the application. It shall be the Project Sponsor's obligation to convey any project-related information to vendors or third parties engaged by such parties, including, but not limited to, consultants and developers who do not otherwise have an ownership interest in the Project Sponsor(s). It is also the Project Sponsor's obligation to notify the Bank in a timely manner of any material changes, either positive or negative, to FHLBank Atlanta. Lastly, it is the sponsor's obligations to ensure that all other funding associated with the subject project is compatible with the terms of the AHP application and agreement.

Should you wish to discuss FHLBank Atlanta's AHP or the awarded projects, please contact Shikha Jerath at (404) 888-8367 or sjerath@fhlbatl.com at your convenience.

Sincerely,

A handwritten signature in black ink that reads "Arthur L. Fleming". The signature is written in a cursive style with a large, sweeping flourish at the end.

Arthur L. Fleming

cc: Elizabeth Nice, Virginia Supportive Housing
Scott Brennan, Senior Vice President and Director of Sales
David Eckardt, Vice President, Regional Accounts Relationship Manager
Tomeka Lambert Strickland, Vice President, Interim Associate Director of Community Investment Services
Shikha Jerath, Production and Portfolio Analyst I



BON SECOURS
VIRGINIA HEALTH SYSTEM
Bon Secours Health System, Inc.

Allison Bogdanovic
Virginia Supportive Housing
P.O. Box 8585
Richmond, VA 23226

Dear Ms. Bogdanovic:

I am pleased to inform you that Bon Secours Richmond Health System has approved a gift of \$150,000 to Virginia Supportive Housing (VSH). These funds are to be used for predevelopment and capital improvements to Cool Lane Apartments.

The funds will be delivered to VSH incrementally on the following dates July 1, 2019, July 1, 2020 and July 1, 2021. Please confirm receipt of this letter via email to Rebecca_Christensen@bshsi.org. We would appreciate a report on the use of these funds annually starting March 1, 2020.

Sincerely

Toni R. Ardabell, Market President

Bon Secours Richmond Health System

March 7, 2019

Allison Bogdanović
Executive Director
Virginia Supportive Housing
PO Box 8585
Richmond, Virginia 232261012 East Marshall Street
P.O. Box 980549
Richmond, VA 23298-0549O 804.828.9771
F 804.828.8002**Marsha D. Rappley, M.D.**
Vice President for VCU Health
Sciences and Chief Executive
Officer of VCU Health System

Dear Ms. Bogdanovic:

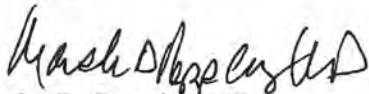
On behalf of the Virginia Commonwealth University Health System Authority (VCUHS), it is my pleasure to inform you that Virginia Supportive Housing's application was selected for a Community Health Partnership Fund grant in the amount of \$150,000 to be disbursed in \$50,000 increments over three years to support the Cool Lane Initiative project as outlined in your application and proposal dated March 5, 2019 (the "Project"). In the coming days, Byron Hunter will be in contact with you to discuss disbursement of funds for the Project.

Once you have a chance to review this letter, please sign below and return a copy to me to acknowledge your acceptance of the following terms and conditions upon which this award is issued:

- By accepting this award, Virginia Supportive Housing assumes legal, financial, administrative, and programmatic responsibility for administering the award in accordance with all provisions included in the award and all relevant statutes, regulations, and other laws implicated by receiving and administering this award, all of which are hereby incorporated into your award by reference.
- Funds must be used in accordance with the budget included with the Project proposal.
- Virginia Supportive Housing shall immediately notify VCUHS of a change in its tax exempt status.
- While VCUHS may provide reminders regarding award requirements, the absence of receiving such notice does not relieve Virginia Supportive Housing of its responsibilities.
- Failure to comply with these requirements may result in termination of the award and VCUHS' recovery of funds.

VCUHS appreciates the important work of Virginia Supportive Housing, and it is a pleasure to issue this award in advancement of the important missions of both our organizations.

Sincerely,

Marsha D. Rappley, MD
Chief Executive Officer, VCU Health System
Sr. Vice President, VCU Health Sciences

ACCEPTED AND AGREED:

Signed: Allison Bogdanović
Allison Bogdanović, Executive Director, VSHDate: 3/7/2019

THE MARY MORTON PARSONS FOUNDATION

Foundation Directors

Thurston R. Moore
President

Charles F. Witthoefft
Vice President and Secretary

Palmer P. Garson
Treasurer

Amy P. Nisenson
Executive Director

November 26, 2019

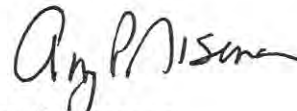
Virginia Supportive Housing
Allison Boghanovic
Executive Director
8002 Discovery Drive, Suite 201
Richmond, VA 23229

Dear Ms. Boghanovic: *Allison*

It is indeed a pleasure to advise you that the Directors of The Mary Morton Parsons Foundation have approved a one-to-one challenge grant of \$300,000.00 to Virginia Supportive Housing for help create two new communities in VA-Cool Lane in Richmond and The Crossings in Charlottesville. Matching funds must be from sources as a direct result of our commitment and should be from a diverse group of funders with no more than 50% of the matching funds coming from other private foundations. Our expectation is that the match will be completed within twelve months, which would be no later than November 2020. The grant will be paid in early 2021 when you confirm that the challenge grant has been met and construction has begun. In addition, we ask that you provide us with a progress report on the matching funds within the next six months and no later than May 2020.

Please note that if you wish to acknowledge this award in any of your communications, the Foundation prefers to be referred to as The Mary Morton Parsons Foundation. We wish you every success in your efforts to match this grant.

Sincerely,



Amy P. Nisenson
Executive Director

APN/bdt

THE WILLIAM H.-JOHN G.-EMMA SCOTT FOUNDATION

Founded 1956

December 12, 2019

Mr. Chris Edwards
Director, Mission Advancement
Virginia Supportive Housing
8002 Discovery Drive, Suite 201
Richmond, VA 23229

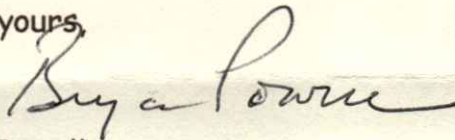
Dear Chris:

I am pleased to enclose a check to Virginia Supportive Housing in the amount of \$50,000.00 to support the development of your new facility in the east end. We would appreciate receiving an updated status report on the use of these funds by December 1, 2020 or at completion of the project.

We are happy to support the good work of Virginia Supportive Housing.

Best wishes & Merry Christmas.

Sincerely yours,



E. Bryson Powell
Chief Operating Officer

Enclosure

1. Grant Agreement Form, Trustee, 1-Year Grant

Grant Agreement

GRANT AGREEMENT

If you have questions regarding this agreement, please reach out to the bank contact noted in your grant award email.

Foundation Name (Grantor), Bank of America, N.A., Trustee

Marietta McNeil Morgan & Samuel Tate Morgan, Jr. Trust

Organization Legal Name (Grantee)	Grant Award Amount
Virginia Supportive Housing	40000.0000

Term (months)
12

Project Title

Permanent Supportive Housing for Formerly Homeless Individuals - Cool Lane Apartments 2020

Project Start Date

6/25/2020

Project End Date
6/25/2021

Conditions of Grant

By providing your acceptance below, you are confirming on behalf of your organization, agreement and consent to the following grant award conditions:

1. Grantee has provided Grantor with verification of the Grantee's public charity status under Sections 501(c)(3) and 509(a)(1) or 509(a)(2) of the Internal Revenue Code of 1986, as amended (the "Code"), and agrees to notify the Grantor of any change in the Grantee's status.
2. Grantee will use the grant exclusively for the purposes and objectives specified in the project title above and in the application submitted to the Grantor, and Grantee acknowledges no goods or services or benefits have been or will be provided by Grantee to Grantor.
3. Grantee shall not use any portion of the funds granted herein to carry on lobbying or otherwise to attempt to influence specific legislation, either by direct or grassroots lobbying, nor to carry on directly or indirectly a voter registration drive, nor to make grants to individuals on a non-objective basis, nor to use the funds for any non-charitable purpose.
4. Grantee shall not, under any circumstance, transfer, assign or encumber any portion of the grant. The Grantee agrees that the grant funds will not be expended, transferred, or used for any purpose or in any fashion that is prohibited by an applicable law of the United States or of

any domestic or foreign jurisdiction, including without limitation, applicable laws proscribing the support of terrorism or terrorist organizations.

5. Grantee agrees that in all media, such as printed materials, social media, annual reports and any press releases or articles publicizing this grant, the Grantor shall be recognized in the following manner: [*foundation name noted above*], Bank of America, N.A., Trustee. In instances where a press release is developed for distribution to media outlets, the Grantee agrees to timely forward a draft to Bank of America Private Bank, Philanthropic Solutions for prior approval.
6. Grantee shall submit a report to Grantor at the end of the 12 month grant term summarizing the program for which the grant was received, specifically addressing whether the goals as set forth in the proposal were met, and if not, why not, and will detail all expenditures made from the granted funds as compared to the request budget. If the grant awarded is for a period longer than one year, Grantee shall submit annual reports until the end of the grant period as specified in the award letter.
7. In the event that Grantee does not expend all grant funds and the interest earned thereon, Grantee shall notify Grantor. It shall be within Grantor's sole discretion whether to direct Grantee to retain or return such funds. Should Grantor require the return of the unexpended funds and interest earned thereon, Grantee shall timely return such funds to Grantor.
8. In the event that Grantee is unable or unwilling to comply with all the terms of this grant agreement, Grantee shall notify Grantor in writing immediately. If Grantee has a proposal for an alternate use of unexpended funds, Grantee shall request permission from Grantor. It shall be within Grantor's sole discretion whether to direct Grantee to retain the unexpended funds or to cancel the grant and require return of unexpended funds. In the event that Grantor allows Grantee to retain the unexpended funds, Grantee shall report, in accordance with the requirements of Section 6 above, on the expenditure of such funds. Should Grantor require the return of the unexpended funds, Grantee shall timely return such funds to Grantor.

The Grantee agrees and consents to the conditions of the grant noted above. By typing your name below and selecting the "I Accept" button, you agree that this signature is the equivalent of your manual signature on this Agreement.

Grant Agreement Signee
(Officer, Director, or Trustee of Grantee)
Allison Bogdanovic

Title
(Grant Agreement Signee)
Executive Director

I Accept
Yes

Organization Representative Acknowledgement

I acknowledge that I am authorized by my organization to sign off on the terms of this Grant Agreement.

Yes

Grant Agreement Version and Date

Grant Agreement Last Updated 1/15/2020



**Bob and Anna Lou
Schaberg Foundation**

1111 EAST MAIN STREET, SUITE 1100 • RICHMOND, VIRGINIA 23219
TELEPHONE 804-644-1086

December 16, 2020

Ms. Allison Bogdanović
Executive Director
Virginia Supportive Housing
P.O. Box 8585
Richmond VA 23226

Dear Allison,

The board of the Bob and Anna Lou Schaberg Foundation has approved a gift of \$200,000 to Virginia Supportive Housing. These funds are to be used to support the Cool Lane Apartments Campaign, which will contain 86 units of affordable housing.

Please confirm receipt of this letter and check via email to annalou@schaberg.org and susanhallett6@gmail.com. We would appreciate a report on the use of the grant funds by September 10, 2021.

We wish you much success in this campaign.

Sincerely,

Anna Lou Schaberg
Executive Director

Bob and Anna Lou Schaberg Foundation Board of Directors

George C. Howell, III, *Chairman* Thomas E. Phillips, *President* David S. Cohn, *Secretary*
Ralph R. Crosby, Jr., *Treasurer* Anna Lou Schaberg, Robert W. Schaberg, *Founder*

**GRANT AGREEMENT
2019 HOUSING TRUST FUND
HOMELESS REDUCTION GRANT PROGRAM
19-HTF-142**

This Grant Agreement is made by and between the **Virginia Department of Housing and Community Development (“DHCD”)** and **Virginia Supportive Housing (Cool Lane Apartments) (“Grantee”)** for the period **January 1, 2019 to April 30, 2020** in the total amount of **\$100,000**.

The Homeless Reduction Grants are funded through Virginia’s Housing Trust Fund, a state appropriation of \$11 million for the fiscal year 2019 budget. The Department may use up to 20 percent of the Fund for grants to reduce homelessness with priority consideration given to projects targeted to homeless youth and families. The Grant is subject to the terms, guidelines and regulations set forth in the Program Guidelines and any subsequent amendments to the guidelines, the laws of the Commonwealth of Virginia and federal law.

I. Scope of Services

Funds are for targeted efforts to reduce homelessness. These grant funds are to be used for eligible predevelopment activities associated with the Cool Lane Apartments development project. These costs include: feasibility study fees; consulting fees; financial application costs; architects, legal, engineers, development fees; site control expenses; and, title clearance cost.

II. Conditions

A. Reimbursement

Funds are disbursed on a reimbursement basis. Grantees must submit remittances in DHCD’s Centralized Application Management System (CAMS) and be able to provide documentation that the work, services, or cost occurred within the grant period and the expenses were paid appropriately by the Grantee. Grantees may elect to submit remittances on a monthly or bi-monthly basis. The option selected should be adhered to throughout the year. Supporting documentation must clearly indicate the period for which the reimbursement is requested.

B. Reporting

Grantees must submit reports as required by DHCD. Such reports may include, but are not limited to, outcomes and performance reports. Any required reports and their due dates will be announced by DHCD along with any relevant instruction. Submission of reports implies approval from the executive director and is considered final. DHCD reserves the right to withhold reimbursement payments if the Grantee fails to submit the reports.

Year-End Report

The Grantee must submit a year-end report no later than the tenth day of May 2020.

C. Continuum of Care Participation

Grantees must actively participate in the Homeless Management Information System (HMIS) and regional continuum of care or balance of state local planning groups. In addition, Grantees must assure full participation in annual point-in-time and housing

inventory counts.

D. Accounting

The Grantee must adhere to Generally Accepted Accounting Principles (GAAP). The Grantee shall establish and maintain separate accounts within its existing accounting system or set up accounts independently. The Grantee shall record in its accounting system all grant payments received pursuant to the grant and all other match funds provided for, accruing to, or otherwise received on account of the grant.

All costs charged to the grant shall be supported by properly executed payrolls, timesheets, contracts, or vouchers evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, contracts, vouchers, or other accounting documents pertaining in whole or in part to the grant shall be clearly identified, readily accessible, and separate and distinct from all other such documents. Such documents shall reside at the offices of the grantee.

E. DHCD Notification

Grantee must notify DHCD of any potentially illegal act, such as misuse of grant funds or fair housing violations, immediately upon knowledge of such act. In addition, Grantee must notify DHCD should any other local, federal or state agency uncover evidence of any potentially illegal act. Grantee must notify DHCD if there is a change in agency management and/or fiscal personnel. Failure to do so will constitute a finding and may result in repayment of funds by the Grantee, the de-obligation of current funding and the preclusion of future funding.

F. Audit

All grantees, sub-grantees, CHDOs, and sub-recipients, localities, developers, or any other organizations that receive funding during a specific program year are required to submit one of the following financial documents: Financial Statement**, Reviewed Financial Statement prepared by an independent Certified Public Accountant (CPA), Audited Financial Statement prepared by an independent CPA or an OMB A-133 Audit (Single Audit) prepared by an independent CPA. Please see the table below to determine which document your organization is required to submit.

The threshold requirements outlined below are the minimal standards required by DHCD. We strongly encourage all organizations receiving funds from DHCD to undertake the highest level of financial management review to ensure practices and procedures are fully examined and evaluated.

Threshold Requirement	Document
Total annual expenditures ≤\$100,000 – regardless of source	Financial Statement prepared by organizations**
Total annual expenditure between \$100,001 and \$300,000 – regardless of source	Reviewed Financial Statement prepared by an Independent Certified Public Accountant (CPA)
Total annual expenditures > \$300,000 – regardless of source	Audited Financial Statement prepared by an Independent CPA
Federal expenditures ≥\$750,000	2 CFR 200 Subpart F Audit - prepared

by an Independent CPA

**Does not require preparation by a CPA

Entities shall file the required financial document in the Centralized Application and Management System (CAMS) within nine (9) months after the end of their fiscal year or 30 (thirty) days after it has been accepted (Reviewed Financial Statement, Audited Financial Statement, and OMB A-133 Audit only) -whichever comes first.

The full DHCD Audit Policy, including an explanation of the specific document requirements, can be found online at:
http://www.dhcd.virginia.gov/images/DHCD/DHCD_Audit_Policy.pdf

G. Compliance

Grantees with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues are not eligible to receive allocations. DHCD will work with all interested parties toward the resolution of unresolved matters, where appropriate.

H. Maintenance of Records

Records shall be readily accessible to DHCD, appropriate state and federal agencies, and the general public during the course of the grant agreement and shall remain intact and accessible for five years thereafter. The exception is in the event that any litigation claim or audit is started before expiration of the five-year period, the records shall be retained until such action is resolved.

I. Costs Incurred Prior To Grant Agreement Execution

No costs incurred prior to the start of the contract period shall be eligible for reimbursement with grant funds, unless incurred costs are authorized in writing by DHCD.

J. State Not Liable

The Grantee shall hold harmless the Commonwealth of Virginia, DHCD, its agents and employees from any and all claims and demands based upon or arising out of any action by the Grantee, its employees, agents or contractors.

K. Expenditure Review

DHCD will monitor expenditure rates to ensure state resources are maximized. Failure to expend funds proportionately throughout the contract period may result in the de-obligation of funds. DHCD reserves the right to de-obligate funds at any time during the contract period and reallocate as deemed appropriate within the CoC/LPG or statewide based on compliance, performance, need, and available funding.

L. Termination, Suspension, Conditions

If through any cause, the Grantee fails to comply with the terms, conditions or requirements of the contract documents, DHCD may terminate or suspend this Agreement by giving written notice of the same and specifying the effective date of termination or suspension at least five (5) days prior to such action.

In the case of contract violation by the Grantee, DHCD may request that all or some of the grant funds be returned, even if the Grantee has already expended the funds. The Grantee agrees to return such funds as requested by DHCD within 30 days of the

written request.

M. Subsequent Contracts

The Grantee shall remain fully obligated under the provisions of the Grant Agreement notwithstanding its designation of any subsequent or third parties for the undertaking of all or part of the activities for which the Grant assistance is being provided to the Grantee.

The Grantee agrees to ensure that any contractor or subcontractor who is not the Grantee shall comply with all the lawful requirements of the Grantee necessary to insure that the project for which this assistance is being provided under this Agreement are carried out in accordance with the Grantee's Assurances and Certifications.

N. Default

A default is any unapproved use of grant funds. Upon due notice to the Grantee of the occurrence of any such default and the provision of a reasonable opportunity to respond, DHCD may take one or more of the following actions:

- (1) direct the Grantee to submit progress schedules for completing approved activities;
- (2) issue a letter of warning advising the Grantee of the default, establishing a date by which corrective actions must be completed and putting the Grantee on notice that more serious actions will be taken if the default is not corrected or is repeated;
- (3) direct the Grantee to suspend, discontinue or not incur costs for the affected activity;
- (4) require the Grantee to reimburse DHCD for costs inappropriately charged to the program;
- (5) other appropriate action including , but not limited to, any remedial action legally available, such as affirmative litigation seeking declaratory judgment, specific performance, damages, temporary or permanent injunctions and any other available remedies.

No delay or omissions by DHCD in exercising any right or remedy available to it under the Agreement shall impair any such right to remedy or constitute a waiver or acquiescence in any Grantee default.

O. Conflict of Interest

Grantees shall ensure that the provision of any type or amount of assistance may not be conditional on an individual's or family's acceptance or occupancy of housing owned by the grantee, the sub-grantee, a parent organization, or subsidiary. Grantees/sub-grantees, parent organizations, or subsidiaries may not administer rapid re-housing or prevention assistance and use the assistance for households residing in units owned by the grantee/sub-grantee, parent organization, or subsidiary.

Individuals (employees, agents, consultants, officers, or elected or appointed officials of the grantee or sub-grantee) may not both participate in decision-making related to determining eligibility and receive any financial benefit. This financial benefit may not be received by the specific individual, any member of his/her immediate family or a business interest. The restriction applies throughout tenure in the position and for a one-year period following tenure.

P. Religious Influence

The Grantee shall perform activities and all financial and stabilization services in a manner that is free from religious influence.

III. Additional Assurances

- A.** Grantee will give the Virginia Department of Housing and Community Development, the Comptroller, HUD and any other authorized state or federal representatives access to and the right to examine all records, books, papers, or documents related to the Grant.
- B.** In accordance with federal law, grantee will provide that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin, in any phases of employment or in any phase of service delivery.

IV. Additional Certifications:

The Grantee certifies that it will comply with the following:

- (a) Freedom of Information Act (5 U.S.C 552) and Virginia Freedom of Information Act;
- (b) Virginia Fair Employment Contracting Act;
- (c) Fair Housing Act (42 U.S.C. 3601-20), and implementing measures under:
 - 24 CFR 100 (discriminatory conduct under Fair Housing Act);
 - Executive Order 11063 and regulations at 24 CFR 107 (preventing discrimination on basis of race, color, creed, or national origin);
 - 24 CFR Part 8 (prohibiting discrimination against handicapped individuals);
 - Title VIII of Civil Rights Act of 1968 as amended (prohibiting discrimination based on race, color, national origin, religion, sex, familial status [including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18], and disability)
- (e) Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at:
 - 24 CFR 146 (nondiscrimination on basis of age in HUD programs);
 - Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794);
- (f) 24 CFR 574.320 (Federal rent standards for rental assistance, requiring rents to be charged no greater than appropriate Fair Market Rent levels);
- (g) 24 CFR Part 35 (Federal lead-based paint provisions, requiring visual

inspections and stabilization of paint before commencement of occupancy);

(h) Adhere to Executive Orders 11625, 12432, and 12138, that Grantee must make efforts to encourage participation of minority and women-owned business enterprises in connection with funded activities;

- Encourage participation of locally-owned enterprises in connection with funded activities;

(i) McKinney-Vento Homeless Assistance Program Regulations;

(j) Anti-lobbying Certification;

(k) Drug Free Workplace.

If requested by DHCD:

1. A Grantee that is a unit of local government agrees to assume the status of a responsible Federal official under the National Environmental Policy Act (NEPA) of 1969 and other provisions of Federal law as specified at 24 CFR 58 and 58.5 and agrees to comply with these NEPA regulations.
2. All Grantees that are not units of local government agree to assist DHCD in carrying out 24 CFR 58 and 58.5.

The Agreement is hereby executed by the parties on the date set forth below their respective signatures as follows:

Virginia Department of Housing and Community Development



Pamela G. Kestner

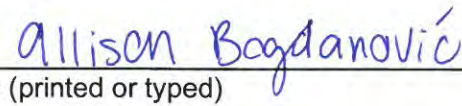
April 19, 2019

Date

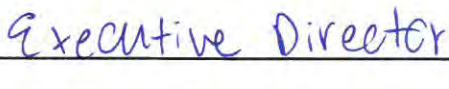
Virginia Supportive Housing



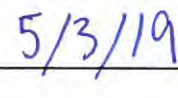
Signature



Name (printed or typed)



Title



Date



Ralph S. Northam
Governor

R. Brian Ball
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

Erik C. Johnston
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

March 12, 2021

Elizabeth Nice
Sr. Housing Development Officer Virginia
Supportive Housing
8002 Discovery Drive
Richmond, VA 23229
Via: enice@virginiassupportivehousing.org

Re: Affordable and Special Needs Housing Funding
Proposal

Dear Ms. Nice:

On behalf of the Department of Housing and Community Development (DHCD), it gives me great pleasure to inform you that Virginia Supportive Housing has been selected to receive an award offer from the Affordable and Special Needs Housing program's December 2020 funding pool in the amount of **\$300,000 in Virginia** Housing Trust Fund (VHTF) funds to support the Cool Lane Apartments project.

Please note that you will receive further communication regarding a VHTF program agreement within the next few weeks. The VHTF program agreement must be fully executed within 12 months from the date of this letter in order for this preliminary offer to result in a VHTF program commitment and reservation of funds.

As the project gets underway, please be aware that any adjustments to the capital budget, operating expense budget, pro forma numbers and other project parameters must be approved by DHCD before the program funding agreement will be transferred to VHDA to request that formal loan documents be drafted. Execution of the program funding agreement is necessary in order to finalize a formal funding reservation and loan commitment.

Michael Haas, ASNH Program Manager, will soon be contacting you to begin the contract negotiation process. We are pleased to be of assistance to Virginia Supportive Housing in its affordable housing efforts.

Sincerely,

Pamela G. Kestner
Acting Deputy Director of Housing



VIRGINIA HOUSING DEVELOPMENT AUTHORITY

RESERVATION OF LOW-INCOME HOUSING TAX CREDITS

THIS RESERVATION AGREEMENT made this 15th day of July, 2019, by and between **COOL LANE APARTMENTS, LLC** (the "Owner") and the **VIRGINIA HOUSING DEVELOPMENT AUTHORITY** ("VHDA") hereby recites and provides as follows:

WITNESSETH:

WHEREAS, pursuant to § 42 of the Internal Revenue Code of 1986, as amended (the "Code"), the Owner has submitted to VHDA an application (the "Application") for a reservation ("Reservation") of low-income housing tax credits ("Credits") from VHDA's 2019 Credit Program to be allocated with respect to the building(s) comprising that certain residential rental housing development known as Cool Lane Apartments (the "Development"), which buildings are of the type(s) more particularly described in the Application which is incorporated herein by reference; and

WHEREAS, pursuant to Internal Revenue Service ("IRS") Regulation § 1.42-1T(d)(8)(i), VHDA may, prior to allocating Credits to the Owner with respect to the Development, issue to the Owner a binding commitment to make a Credit allocation; and

WHEREAS, according to IRS Notice 89-1, in order for the Owner to be entitled, should it choose to do so, to elect to fix the applicable credit percentage for the buildings of the Development not yet placed in service pursuant to § 42(b)(2)(A)(ii)(I) of the Code, such binding commitment must meet the requirements of IRS Notice 89-1 as a binding agreement; and

WHEREAS, the Owner and VHDA desire that this Reservation Agreement constitute such a binding commitment.

NOW THEREFORE, in consideration of the foregoing premises, the mutual covenants contained herein and other good and valuable consideration, the Owner and VHDA hereby agree as follows:

1. VHDA agrees to reserve for allocation to each building in the Development, as more particularly described in the Application, Credits in the amount set forth with respect to such buildings; provided, however, that such Reservation and allocation ("Allocation") shall in all cases be subject to (a) all of the terms, provisions and limitations hereof (including those in Section 3 hereof relative to the amount of Credits to be allocated), (b) the Owner's timely satisfaction of all of the requirements set forth or referenced herein, (c) all applicable terms, conditions, limitations and requirements of § 42 of the Code, as amended, and any successor provisions, and all applicable regulations, pronouncements, notices and rulings relative thereto as and when issued, and (d) all applicable Rules and Regulations of VHDA governing the reservation and allocation of Credits.

Furthermore, it is VHDA's intention that, to the extent permitted by law, the specific amounts reserved for each building be advisory only, such that **the Reservation be made in an aggregate annual amount of \$950,000.00 with** respect to the Development as a whole, as contemplated by § 42(h)(1)(F) of the Code.

2. As conditions precedent to the allocation of Credits with respect to the Development, VHDA must receive within the applicable time periods each of the following items in form and substance satisfactory to it (**Failure to meet the deadlines below will result in a fine of \$500 per day or a loss of your reservation for extended delays**):

- a) By July 31, 2019 (except Developments in the Nonprofit Pool, the ASH Pool and Local Housing Authority Pool), a non-refundable Reservation Fee in an amount equal to 7% of the annual Credit amount being reserved, in the form of a check made payable to VHDA.
- b) By July 31, 2019, this Reservation Agreement fully executed. (You may keep one of the duplicate originals for your files.)
- c) By July 31, 2019, the original, executed Contract to Enforce Representations regarding Low-Income Housing Tax Credit Development (the "Contract") (in the form provided herewith). The terms of this Contract will, to the extent applicable, survive the Allocation of Credits, if any.
- d) By April 30, 2020, unless already provided with the Application, evidence that the Owner has either sole fee simple ownership of the site or holds a lease of such site for a term no shorter than the period represented in the Application during which the Development (or portion thereof with respect to which Credits have been requested) shall be held for occupancy by low income persons.

- e) By November 1, 2019, an original, completed, properly executed, allocation application (package to be sent under separate cover). Such application will be deemed complete (i) when the Owner has updated those sections in which information has CHANGED from that represented in the Reservation Application and (ii) when the Owner has attached thereto satisfactory, executed, original Attorney's Opinion and, for carryforward allocation requests, an Owner's Certification, all in the forms prescribed in the allocation application package.

In such application, the Owner shall, among other things, certify as to the reasonable, ordinary and necessary costs and expenses paid or incurred by the Owner in the construction or rehabilitation and, if applicable, the acquisition of the Development. In addition, if the Development has not been completed by the November 1, 2019, deadline for such application (e.g., if it is a carryforward project or, in the alternative, if it is a regular allocation project which has been placed in service but is still not 100% complete), the Owner shall include in such certification its reasonable estimates of all costs and expenses necessary to complete the Development. However, no increase in the developer's fee established by VHDA in scoring the Reservation Application shall be permitted without the consent of VHDA. All costs and expenses as certified shall be subject to review, adjustment and approval by VHDA.

- f) By April 30, 2020, the original (or the Circuit Court Clerk's certified copy thereof), executed, **recorded** Extended Use Agreement (in exactly the form provided herewith) and the original recording receipt therefor. Exhibit A (the property's legal description) must be prepared and attached and the Agreement must be executed by the Owner. This must be recorded **after** the deed conveying title to the property to the Owner identified herein. The terms of the Agreement shall survive the Allocation of Credits, if any. Note that this Agreement governs the use of the Development and imposes certain additional requirements on the Owner and its successors, including requirements relative to the nonprofit.

3. The Owner understands and agrees that, notwithstanding anything herein to the contrary, VHDA is required under § 42 of the Code to determine the amount of Credits necessary for the financial feasibility of the Development (which determination shall include a review of the costs and expenses of the Development for reasonableness) at the time of Allocation and, for projects requesting Carryforward Allocations, again at the time of placement in service of the buildings in the Development and, further, that VHDA is prohibited from allocating to the Development or, as applicable, issuing with respect to the Development an I.R.S. Form 8609 for, any more Credits than the amount so determined to be necessary.

4. No changes material to the Development or to the number of points assigned to the Application in the Reservation selection process may be made to the proposal described in the Application (including costs thereof, sources and uses of funds and information included in the accompanying documentation, such as plans and specifications) without the prior approval of VHDA. Any such change may result in a decrease in or loss of the Reservation of Credits made hereby.

5. Unless otherwise requested in a notice given from the Owner to VHDA pursuant hereto and approved in advance by VHDA, (i) no transfers, directly or indirectly, of all or any portion of the Owner's interest in the Development, once acquired, or of all or any portion of the ownership interests in the Owner (other than limited partnership interests) shall be permitted during the term of this Reservation Agreement and (ii) no entity other than the Owner identified herein and described in the Application shall be entitled to an Allocation of Credits.

6. Failure to strictly and timely comply with each and every provision hereof shall, at the option of VHDA, result in the immediate cancellation by VHDA of the Reservation of Credits. Any forbearance by VHDA in exercising such right of cancellation shall not be a waiver of or preclude the subsequent exercise of such right.

VHDA undertakes no responsibility for notifying the Owner of missing items or unsatisfied conditions prior to the deadlines for their submission or completion imposed hereunder.

7. The Owner expressly agrees that if, at any time, it determines that it will be unable to use all or any portion of the Credits reserved to it, it will promptly so notify VHDA.

8. All notices to be given pursuant to this Reservation Agreement shall be in writing and shall be deemed given when mailed by first class mail, to the parties hereto at the addresses set forth below, or, to such other place as may be designated by notice given hereunder.

To VHDA: Virginia Housing Development Authority
601 South Belvidere Street
Richmond, Virginia 23220

Attn: Tax Credit Allocation Department

To the Owner: Cool Lane Apartments, LLC
P.O. Box 8585
Richmond, VA 23226
Attn: Mrs. Allison Bogdanovic

9. This Reservation Agreement may not be altered, modified, or amended except in writing, signed on behalf of the Owner and VHDA; provided, however, that the Owner agrees that it shall take all actions necessary to effect amendment of this Reservation Agreement as VHDA may determine to be necessary to comply with § 42 of the Code, as amended, and any successor provisions, and all applicable regulations, notices, pronouncements, rulings and other official communication relative thereto as and when issued.

10. The invalidity of any clause, part or portion of this Reservation Agreement shall not affect the validity of the remaining portions hereof.

11. Subject to the limitation imposed by Section 5 hereof on transfers of ownership interests, this Reservation Agreement is binding on the Owner, VHDA and all successors in interest to the Owner as owners of the Development.

12. This Reservation Agreement is not assignable by the Owner without VHDA's prior consent.

13. This Reservation Agreement is subject to the additional or special conditions set forth in Exhibit A which is attached hereto and made a part hereof.

IN WITNESS WHEREOF, the Owner and VHDA have caused this Contract to be signed by their duly authorized representatives as of the day and year first written above.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

Dated: July 15, 2019

By: John D. Badruat
Its: Authorized Officer
Agency/Taxpayer I.D. No.: 54-0921892

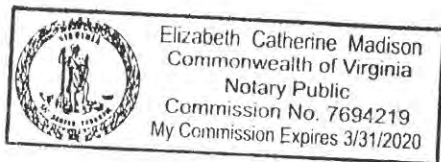
COOL LANE APARTMENTS, LLC
(the Owner)

By: Allison Bogdanovic
Its: Executive Director

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF Richmond, To-Wit:

The foregoing instrument was acknowledged before me this 30 day of July, 2019,
by Allison Bogdanovic, the Executive Director
of Cool Lane Apartments, LLC, the Owner.

My notary seal is affixed below:



Eli C. Nice
Notary Public

My commission expires: 03/31/2020

My notary registration number is: 7694219

OWNER: IF YOU WISH TO ELECT TO FIX THE APPLICABLE CREDIT PERCENTAGE CONTINUE TO THE NEXT PAGE.

ELECTION TO FIX APPLICABLE CREDIT PERCENTAGE

Pursuant to §42(b)(1)(A)(ii)(I) of the Code, the Owner hereby irrevocably elects to fix the Applicable Credit Percentage (as defined in § 42(b)(1) of the Code) for the month of July, 2019.

Reference is hereby made to the Reservation of Low-Income Housing Tax Credits dated July 15, 2019 between Virginia Housing Development Authority and the Owner.

COOL LANE APARTMENTS, LLC
(the Owner)

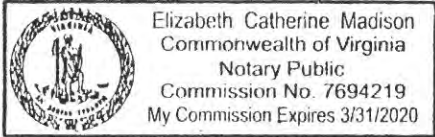
By: Allison Bogdenovic
Its: Executive Director

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF Richmond, To-Wit:

The foregoing instrument was acknowledged before me this 30 day of July, 2019,
by Allison Bogdenovic, the Executive Director
of Cool Lane Apartments, LLC, the Owner.

My notary seal is affixed below:

Elizabeth C. Nice
Notary Public



My commission expires: 03/31/2020

My notary registration number is: 7694219

RETURN ORIGINAL TO VHDA BY AUGUST 5, 2019, IF YOU MAKE THE ELECTION ABOVE.

EXHIBIT A
to
RESERVATION OF LOW-INCOME HOUSING TAX CREDITS

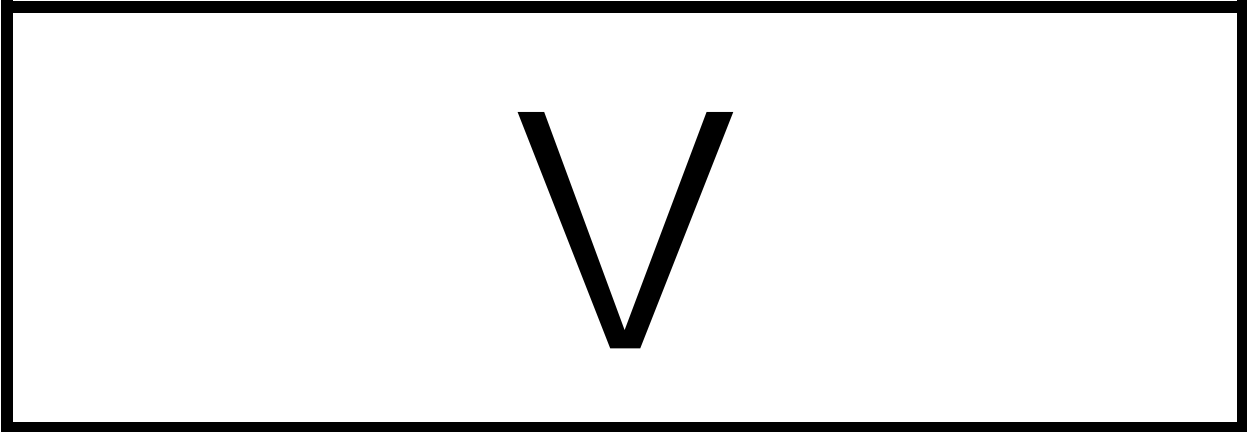
Special Conditions

1. A reservation fee of \$66,500.00 will be due and payable on November 1, 2019
2. By April 30, 2020, the Owner shall provide VHDA with a Circuit Court Clerk's certified copy of the recorded option or right of first refusal (as contained in the Owner's application) by and between the Owner and Virginia Supportive Housing and the recording receipt therefor, which shall be recorded immediately after the recording of the Extended Use Agreement.
3. The Credits subject to this Reservation may include a pre-reservation of the 2020 Credits pursuant to VHDA's Plan for Allocation of Low-Income Housing Tax Credits. Final determination of the amount of 2019 Credits and 2020 Credits allocated to the Development will be determined by the Authority in December 2019.

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

Prepared By and
Return to:

Williams Mullen Center
200 South 10th Street
Suite 1600
Richmond, VA 23219
Attention: Lauren Nowlin

RIGHT OF FIRST REFUSAL AND PURCHASE OPTION AGREEMENT

This Right of First Refusal and Purchase Option Agreement (the "Agreement") is effective as of March 14, 2019, by and between **COOL LANE APARTMENTS, LLC**, a Virginia limited liability company (the "Company"), and **VIRGINIA SUPPORTIVE HOUSING**, a Virginia nonprofit corporation ("Grantee").

WHEREAS, Cool Lane Apartments Development Corporation, Inc., a Virginia corporation, the managing member of the Company ("Managing Member"), and Grantee have entered into that Operating Agreement made effective as of February 5, 2019 (the "Operating Agreement"), which governs the operations of the Company; and

WHEREAS, the Company was formed for the purpose of acquiring, owning or leasing, developing, constructing and/or rehabilitating, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of a residential project, including all reserves established therefor, located in the City of Richmond and the County of Henrico, Virginia (the "Project Property") on the land described on the attached Exhibit A; and

WHEREAS, the Company desires to give, grant, bargain, sell and convey to Grantee, or such other governmental or qualified Section 501(c)(3) organization as may be designed by the Grantee for the Refusal Right (defined below), certain rights to purchase the Project Property on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the execution and delivery of this Agreement 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 are hereby acknowledged, the parties hereby agree as follows:

1. Grant of Refusal Right. In the event that the Company determines to sell or receives an offer to purchase the Project Property, which offer the Company intends to accept, or receives any bona fide third party offer to purchase the Project Property (the "Offer"), Grantee shall have a right of first refusal to purchase the Project Property (the "Refusal Right") for a period of **thirty-six (36) months (the "Refusal Right Period") following the close of the fifteen (15) year compliance period** for the low-income housing tax credit for the Project Property (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 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 Agreement, (a) the foregoing grant of the

Refusal Right shall be effective only if Grantee is a governmental entity or qualified nonprofit organization, as defined in Section 42(h)(5)(c) of the Code currently and remains such at all times as of (i) the date that the Refusal Right has been exercised and the resulting purchase and sale has been closed or (ii) the date that the Refusal Right has been assigned to a Permitted Assignee (as defined herein), and (b) any assignment of the Refusal Right permitted under this 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 Paragraph 7 hereof meeting the requirements of Section 42(i)(7)(a) of the Code. Prior to accepting any offer to purchase the Project Property, the Company shall notify Grantee and the Managing Member 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 Paragraph 1 hereof.

2. Refusal Right Purchase Price. The purchase price for the Project Property (the “Refusal Purchase Price”) pursuant to the Refusal Right shall be the lesser of:

- (i) **the price in the Offer or the proposed sales price,** provided such price is not less than the fair market value of the Project Property subject to all restrictive covenants or other agreements regarding use of the Project Property as affordable housing, any such appraisal to be made jointly by two independent appraisers, one selected by the Company and one selected by Grantee. If the appraisers are unable to agree on the fair market value of the Project, they shall jointly appoint a third appraiser. The decision of a majority of such appraisers shall be final and binding. Each party shall pay the cost of its own appraiser and shall evenly divide the cost of the third appraiser, if necessary, or
- (ii) **the sum of the principal amount of outstanding indebtedness** secured by the Project Property and all Federal, state and local taxes attributable to such sale. The Refusal Purchase Price shall comply with and be interpreted and calculated consistently with the provisions of Section 42(i)(7)(B) of the Internal Revenue Code. In the absence of formal IRS guidance or legal precedents to the contrary, the phrase “principal amount of outstanding indebtedness” shall exclude any accrued interest owed. In the event that accrued interest is determined to be included in the phrase “principal amount of outstanding indebtedness,” then, in the absence of formal IRS guidance or legal precedent to the contrary, the phrase “other than indebtedness incurred with the 5-year period ending on the Closing Date” shall include any accrued interest incurred in the 5-year period ending on the Closing Date that remains unpaid as of that date. The Company agrees to accept Grantee’s computation of the amount described in this clause (ii) if the method of computation is supported by an opinion of a national or regional law firm with recognized expertise in matters relating to Section 42 of the Code.

3. Exercise of Refusal Right. In the event that Grantee elects to exercise the Refusal Right, it shall give the Company written notice of its intent to exercise the Refusal Right pursuant to Paragraph 8 below (the “Refusal Notice”) and shall specify a date for delivery of the deed not less than ninety (90) days and no more than two hundred seventy (270) days after the Grantee’s delivery of the Option Notice. Subject to the prior consent of the relevant lenders, Grantee may pay all or a portion of the Refusal Purchase Price by assuming the existing indebtedness of the Company. The Company agrees upon request of Grantee to use its best efforts to obtain the consent of all relevant lenders to such assumption.

4. Grant of Option to Purchase. The Company hereby grants to Grantee an option (the “Purchase Option”) to purchase the Project Property for a period of sixty (60) months following the expiration of the Compliance Period, on the terms and conditions and subject to the conditions precedent specified herein.

5. Purchase Option Purchase Price. The purchase price for the Project Property pursuant to the Purchase Option shall be the greater of the following amounts: (a) the amount set forth in Paragraph 2(ii) above, or (b) the fair market value of the Project Property, as determined by an appraisal conducted by an experienced appraiser selected by Grantee, using the income capitalization method of valuation, and assuming that the rent restrictions and any other restrictive covenants in effect during the ten-year Credit Period shall remain in effect in perpetuity.

6. Exercise of Option. In the event that Grantee elects to exercise the Purchase Option, it shall give the Company written notice thereof (the “Option Notice”) and shall specify a date for delivery of the deed not less than ninety (90) days and no more than two hundred seventy (270) days after the Grantee’s delivery of the Option Notice. Subject to the prior consent of the relevant lenders, Grantee may pay all or a portion of the Purchase Option Price by assuming the existing indebtedness of the Company. The Company agrees upon request of Grantee to use its best efforts to obtain the consent of all relevant lenders to such assumption.

7. Assignment. Grantee may assign all or any of (1) its Refusal Rights under this 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 Property or (2) its Purchase Option rights (each a “Permitted Assignee”). Prior to any assignment or proposed assignment of its rights hereunder, Grantee shall give written notice thereof to the Company and the Managing Member. Upon any permitted assignment hereunder, references in this 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 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 Agreement and copies of such written agreement are delivered to the Company and the Managing Member. Except as specifically permitted herein, Grantee’s rights hereunder shall not be assignable.

8. Conditions Precedent and Termination. The parties rights and obligations pursuant to this Agreement shall be subject to Company's receipt of an allocation of Low Income Housing Tax Credits from the Virginia Housing Development Authority in connection with the Project Property and in an amount acceptable to the Company by December 31, 2019. In the event the foregoing condition set forth above is not satisfied within the Compliance Period, the Company shall have the right to terminate this Agreement and its obligation to sell the Project Property, in which event neither party shall have any further liability or obligation hereunder.

9. Contract and Closing. The Company and Grantee shall enter into a written contract for the purchase and sale of the Project Property in accordance with this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Project Property is located. Such contract shall permit sufficient time to apply for the so-called nine percent (9%) tax credits, and if unsuccessful, determine if tax exempt bond financing with four percent (4%) tax credits is feasible during the financial feasibility period and sufficient time to close on such financing or alternative financing in the sole discretion of the Grantee. The following provisions will apply to any sale of the Project Property (or interest of the Investor Member) pursuant to the Refusal Right or Purchase Option granted hereunder:

- (a) The place for delivery of the deed or other transfer documents will be the land records of the proper local jurisdiction of the Commonwealth of Virginia or such other location as mutually acceptable to the Grantee and the Company.
- (b) In any sale pursuant to this Agreement, the Project Property will be conveyed in "as is" condition, with all defects, and the Company will have no obligation to make any repairs or improvements in connection with such sale.
- (c) Upon receipt of an Option Notice or Refusal Notice from the Grantee exercising the Purchase Option or Refusal Right, the Company will promptly provide to the Grantee an abstract of title or registered property abstract to the Project Property, certified to a current date to include, without limitation, proper searches covering bankruptcies, judgments, and state and federal liens. At the closing, the Company will deliver to the Grantee a good and sufficient Special Warranty Deed conveying good and clear record and marketable title to the Project Property, subject only to those liens and encumbrances set forth on the abstract of title, subject to liens in favor of such lenders whose debt is to be assumed and to such other encumbrances which do not materially interfere with the use of the Property as affordable residential housing. At the closing, the parties will make equitable adjustments for items as are typically adjusted in connection with the transfer of multifamily housing such as the Project Property.
- (d) Exercise of the Purchase Option or Refusal Right by the Grantee will operate to terminate and extinguish any purchase agreement between the Company and any other party or parties thereto, and such other party or parties will thereupon have no right or interest whatsoever in the Project Property or any part thereof or in the

agreement between the Company and the Grantee formed by the exercise of the Purchase Option or Refusal Right.

- (e) In the event Grantee does not exercise its Refusal Right and the Project Property is disposed of to a different party or for different consideration or on any different terms from those stated in the Disposition Notice or offer, then any such disposition by the Company will be null and void and the Project Property will continue to be subject to the Refusal Right and Purchase Option.
- (f) In the event that the Company fails to offer the Project Property to the Grantee as set forth above in violation of this Agreement, whoever may then hold title will convey the Project Property forthwith to the Grantee, upon demand, for the same consideration that the Grantee would have had to pay had the offer been properly made. Such demand of the Grantee upon the then title holder will be made within sixty (60) days after receipt by the Grantee of actual notice that a transfer of the Project Property has been completed. Constructive notice by recording or otherwise will not constitute such actual notice.

10. Miscellaneous.

- (a) The Company agrees to insert reference to this Agreement in any deed, ground lease, or other instrument for conveyance or transfer of the Project Property, provided, however, that the enforceability of this Agreement will not be affected by a failure to insert a reference to this Agreement in any such deed, ground lease or other instrument.
- (b) In no event will the Refusal Right or Purchase Option or a sale after a purchase pursuant to such Purchase Option or Refusal Right be exercised so as to restrict ownership, use or occupancy of the Project Property because of race, creed, color, sex, religion, or national origin or any other basis prohibited by law.
- (c) This Agreement will be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Virginia and may not be amended other than by an agreement in writing signed by an authorized representative of the party to be charged therewith and recorded with the land records.
- (d) If any of the provisions of this Agreement, or the application thereof to any person or circumstance will, to any extent, be invalid or unenforceable, the remainder of this Agreement and its application to other persons or circumstances will not be affected thereby and each of the other provisions of this Agreement will be valid and enforceable to the fullest extent permitted by law.
- (e) The term of this Agreement will be ninety years commencing on the date first written above unless sooner terminated pursuant to the provisions hereof. This

Agreement and the Refusal Right and Purchase Option herein granted are covenants running with the land and the terms and provisions hereof will be binding upon, inure to the benefits of and be enforceable by the parties hereto and their respective successors and assigns.

- (f) As an alternative to acquiring the Project Property under the Purchase Option, the Grantee will have the right to elect to acquire the interests of the Investor Members for the amount the Investor Members would receive from a sale of the Project Property for the purchase price as determined herein (i.e., either the Refusal Purchase Price or the Purchase Option Price, as applicable) and confirmed by an accountant of the Grantee and approved by the Company. Such payments to the Investor Member will be determined pursuant to the Operating Agreement, but with respect to the Refusal Right, such payments will be no less than the price established herein. Notwithstanding anything herein to the contrary, in determining the purchase price of the Project Property or the interests of the Investor Member, any purchase of the Project Property or the interests of the Investor Members will not include the value of any cash reserves.

11. Counterparts. This Agreement may be executed in separate counterparts or counterpart signature pages, which together will constitute a single agreement. PDF, TIF, facsimile, or other electronic images of signatures will be deemed originals for all purposes.

12. Covenants to Run with the Land. The covenants and agreements set forth herein shall be revised as required so that they may be recorded against and run with the land. The covenants and agreements set forth herein shall be binding upon and shall inure to the benefit of the successors and assigns of the respective parties hereto.

13. Defined Terms. The capitalized terms used in this Agreement shall have the definitions provided for in the Operating Agreement unless otherwise specified herein.

14. Headings. This Agreement's headings are for convenience of reference and are not intended to qualify the meaning of any provision or covenants herein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT A

Legal Description

ALL that certain piece or parcel of land, with the improvements thereon, lying and being partly in the City of Richmond, and partly in the County of Henrico, Virginia, containing 5.72 acres, described as follows:

COMMENCING at a stone on the North line of Cool Lane, 134 feet, more or less, East of its intersection with Mechanicsville Turnpike (U.S. Route 360), which point of beginning is located on the 1942 City of Richmond Corporation Line dividing the City of Richmond and the County of Henrico; thence from said point of beginning extending N. 26° 39' E. 150 feet to a point; thence extending N. 73° 26' W. 133.90 feet to a point on the East line of Mechanicsville Turnpike; thence extending N. 32° 12' 40" E. 56.60 feet along the East line of Mechanicsville Turnpike to a stone; thence continuing along the East line of said Mechanicsville Turnpike N. 30' 10" E. 72.18 feet to a stone; thence leaving Mechanicsville Turnpike and extending Eastwardly along the South Line of Ramp "C", Interstate Rt. No. 64, along the following courses and distances: S. 84° 38' 30" E. 131.45 feet to a stone; S. 60° 23' 30" E. 180.77 feet to a stone; S. 73° 17' 30" E. 128.45 feet to a stone; N. 77° 26' 30" E. 188.88 feet to a stone; N. 56° 52' 30" E. 241.72 feet to a stone; and N. 85' 34' 30" E. 98.75 feet to a rod; thence extending S. 26° 21' 30" W. 576.80 feet along the West line of Cool Lane Court Subdivision to a rod; thence extending N. 73° 26' W. 673.56 feet along the North line of Cool Lane to the point of beginning.

Further as shown on a plat of survey made by Chas. H. Fleet & Assocs., dated December 31, 1971 entitled 'PLAT OF PROPERTY SITUATED BETWEEN COOL LANE AND ROUTE NO. 64 AND EAST OF MECHANICSVILLE TURNPIKE RICHMOND & HENRICO CO., VA.', which plat is recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia in Deed Book 675-B, Page 321.

BEING the same real estate conveyed to the City of Richmond, Virginia, a municipal corporation of the Commonwealth of Virginia, by deed from Hospital Authority of Richmond, dated August 7, 2009, recorded September 25, 2009 in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument No. 090020776 and in the Clerk's Office, Circuit Court, Henrico County, Virginia in Deed Book 4692, Page 1736.

W

Internet Safety Plan and
Resident Information
Form

Resident Wi-Fi Information

Internet Education Information,
Acknowledgement Form, and Internet Security
Plan

Cool Lane Apartments
1900 Cool Lane
Richmond, VA 23223

RE: Resident Internet Information

Dear Resident,

As a resident of Cool Lane Apartments you will be provided with free individual Wi-Fi access within your unit. Please know that while the Wi-Fi provided by Cool Lane Apartments will be closely monitored and secured by critical IT solutions there is still a level of risk associated with using Wi-Fi. These risks include, but are not limited to, personal information and data theft, monetary scams, and system security breaches.

Again, while we will work to minimize these risks to the greatest extent feasible there is always a risk to utilizing the internet and we ask residents to exercise caution when visiting websites, downloading materials, or providing their personal information.

Sincerely,

Cool Lane Apartments, LLC

Cool Lane Apartments: Internet Acknowledgement Form

I, _____, hereby acknowledge that I have received a copy of the Cool Lane Apartments "Resident Internet Information" letter and have been informed of any/all internet security policies. I further attest to comply with the internet policies and will follow up with staff if I have any questions regarding the provided materials.

Resident Signature

Unit Number

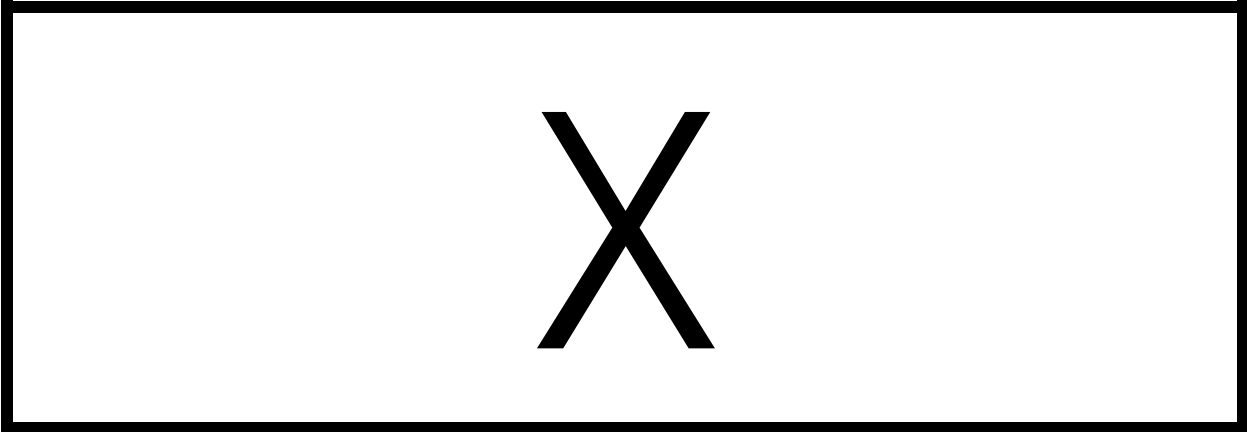
Date

Cool Lane Apartments: Internet Security Plan

In order to provide a secure IT environment for residents and staff, Cool Lane Apartments will be outfitted with several key IT solutions. These solutions will be continuously monitored and updated by a computer networking company.

The solutions that will be implemented at Cool Lane Apartments include:

- Cloud Managed Wireless Access Points to allow for identity-based group security policies and network-wide visibility and control;
- Next Generation Firewalls to provide intrusion prevention and application layer content filtering services that allows traffic shaping and web access to specific devices between employee and resident wireless networks.
- DNS-Based Secure Internet Gateway for all networked devices, providing web content analysis, protection, and malware security;
- For residents, isolated network connectivity, preventing devices from communicating with each other;
- For staff, Patch Management automation for operating systems and software applications;
- For staff, Endpoint Security to identify and prevent known viruses from infecting systems; and
- For staff, Advanced Email Security beyond spam filtering that specifically targets spear phishing and spoofing.



X

Marketing Plan

For units meeting accessibility requirements of HUD section

504

COOL LANE APARTMENTS MARKETING PLAN FOR UNITS MEETING ACCESSIBILITY REQUIREMENTS

Cool Lane Apartments is an eighty-six unit supportive housing apartment community for homeless and low-income individuals from the Richmond metropolitan area. Fifteen percent (15%) of the eighty-six units at Cool Lane Apartments will be reserved for individuals with qualifying disabilities as defined by the Fair Housing Act. Virginia Supportive Housing will ensure that these units are actively marketed to people with qualifying disabilities by working with the following outreach partners:

- CARITAS – Karen O’Brien – (804) 358-0964
- Commonwealth Catholic Charities (CCC) – Abby Boyd – (804) 648-4177
- Daily Planet – Helena DeLigt – (804) 783-2505, extension #226
- Richmond Behavioral Health Authority – Katie Chlan – (804) 819-4255
- Richmond Department of Social Services – Tenelle Walker – (804) 646-7287
- Richmond Redevelopment and Housing Authority – Tammy L. Grubb – (804) 780-3453
- Central Virginia Resource Agency – Gerald O’Neill – (804) 353-6503
- Henrico Area Mental Health and Developmental Services – Chuck Sale – (804) 727-8357

Referrals will be accepted from designated city representatives from redevelopment and housing authorities, area homeless and human services providers, major hospitals, communities of faith, community action agencies, and other regional service providers, including home health agencies and nursing homes. Virginia Supportive Housing (VSH) will inform outreach partners of vacancies as units for individuals with disabilities become available. VSH will also work closely with the Richmond Redevelopment and Housing Authority to review the housing waiting list as voucher based units become available.

Outreach partners and referring organizations will be given Application Guidelines, as well as brochures about Cool Lane Apartments and Virginia Supportive Housing, to provide to homeless and low-income individuals with qualifying disabilities. These Application Guidelines are updated annually as needed and will be distributed to these organizations and service providers as requested.

Cool Lane Apartments will be listed on the Virginia Housing Search website at (<http://www.virginiahousingsearch.com>). The property listing will be maintained regularly and updated as needed. In addition to Virginia Housing Search, vacancies for individuals with disabilities will also be marketed in print and/or digital advertisement.

Receiving and Screening Applications

Individuals who are homeless or earning 50% or less of the Area Median Income that have a qualifying disability and are interested in applying for a unit are directed to call Cool Lane Apartments to set up a time for a rental screening. The rental screening, which is completed in accordance with the Cool Lane Apartments Tenant Selection Plan, is a two-part interview involving Property Management and Supportive Services.

Applicants are required to comply with the following:

- Complete in full and sign an application, prior to their rental screening interview.
- Supply VSH with a current government issued photo ID.

- Sign release forms for Residential Inquiry, Verification of Rental History, Credit Check, and a Criminal History Record Request.

A residential, criminal, and credit history inquiry will be performed for each applicant upon the authorization of the applicant.

Specialists familiar with the target population as defined in the Tenant Selection Plan may be consulted at any time during the screening and selection process. Units meeting the requirements for individuals with disabilities as defined in Section 504 will be held vacant for 60 days during which ongoing marketing must be documented.

Resident Selection

Selection and screening of Residents will be the responsibility of Property Management and Support Services Managers and will be conducted in accordance with the Cool Lane Apartments Tenant Selection Plan.

Those selected for residency must meet the HUD income and eligibility requirements. Selected applicants must have the ability to live independently in an apartment. Priority will be given to individuals who have a qualifying disability. Additionally, preference will be given to qualifying applicants having state rental assistance. These applicants will not be subject to more restrictive eligibility requirements or lease terms than those outlined herein or in the Cool Lane Apartments Tenant Selection Plan.

Applicants may be rejected for the following reasons:

- Unable to disclose and document social security numbers of all household members, or does not execute a certification stating that no social security numbers have been assigned.
- Has household characteristics that are not appropriate for the specific type of unit available, or has a household of a size not appropriate for the unit size available.
- Actively poses a threat to others as assessed by a mental health professional may be ineligible for admission.
- Does not meet other owner/manager tenant screening criteria as defined in the Tenant Selection Plan and/or the screening criteria of the agency or housing authority providing tenant rental assistance.

Tenant Selection Review

The Tenant Selection Criteria will be regularly reviewed and updated as necessary by staff of Virginia Supportive Housing.

Procedures for Certifying Income and Eligibility

Determining Resident eligibility and certifying and recertifying Resident income will be done by the Richmond Redevelopment and Housing Authority (RRHA), and VSH using HUD and VHDA established procedures. All initial and annual recertification information will be transmitted into VHDA's WTCMS system. Verification of a Resident's qualifying disability as defined by the Fair Housing Act will be the responsibility of VSH Property Management and/or Supportive Services Staff following the process outlined in the Tenant Selection Plan.

Measures to Protect Confidentiality

VSH will keep Resident files at a secure location. All files will be kept confidential.

Instruction in Laws

All VSH staff members are required to attend Fair Housing training at least annually, as well as training on other applicable laws, such as ADA. All marketing and leasing activities will abide by Federal Fair Housing Law, Civil Rights Law, and the Violence Against Women Act.

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Inducement Resolution for Tax Exempt Bonds

Not Applicable.