
2026 Federal Low Income Housing Tax Credit Program for Virginia

Application For Reservation

MIXED CONSTRUCTION

Deadline for Submission

9% Competitive Credits

Applications and Fees Must Be Received

No Later Than **12:00 PM** Richmond, VA Time On **March 12, 2026**

Tax Exempt Bonds

Applications and Fees Must Be Received

No Later Than **12:00 PM** Richmond, VA Time for one of the available
4% credit rounds- **January 15, 2026, July 1, 2026** or **October 1, 2026.**

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



INSTRUCTIONS FOR THE VIRGINIA 2026 LIHTC APPLICATION FOR RESERVATION

This application was prepared using Excel, Microsoft Office 365. 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 all credits:

Applicants should submit the application package via Procorem prior to the application deadline, which is **12:00 PM** Richmond Virginia time for each round. 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 via your specific Procorem workcenter.

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. You may also use the drag function.
- ▶ 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
Stephanie Flanders	stephanie.flanders@virginiahousing.com	(804) 343-5939
Phil Cunningham	phillip.cunningham@virginiahousing.com	(804) 343-5514
Lauren Dillard	lauren.dillard@virginiahousing.com	(804) 584-4729
Hadia Ali	hadia.ali@virginiahousing.com	(804) 343-5873

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2026 Low-Income Housing Tax Credit Mixed Construction 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) - Invoice information will be provided in your Procorem Workcenter |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application (MANDATORY) |
| <input checked="" type="checkbox"/> | PDF Copy of the <u>Signed</u> Tax Credit Application with Attachments (Tabs A-AB) (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 (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Specifications (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Existing Condition questionnaire (MANDATORY if Rehab) |
| <input checked="" type="checkbox"/> | Electronic Copy of Unit by Unit Matrix and Scope of Work narrative (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"/> | Electronic Copy of Signed Previous Participation Agreement |
| <input type="checkbox"/> | |
| <input checked="" type="checkbox"/> | Tab A: Chart of ownership structure with percentage of interests (see manual for details) (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab C: Syndicator's or Investor's Letter of Intent (MANDATORY) |
| <input type="checkbox"/> | Tab D: <i>Any supporting documentation related to List of LIHTC Developments or Previous Participation Agreement</i> |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab F: Third Party RESNET Rater Certification and Sample HERS certificates (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion using Virginia Housing template (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 checked="" type="checkbox"/> | Tab J: Relocation Plan and Unit Delivery Schedule (MANDATORY if Rehab) |
| | Tab K: Documentation of Development Location: |
| <input checked="" type="checkbox"/> | K.1 Revitalization Area Certification |
| <input checked="" type="checkbox"/> | K.2 Surveyor's Certification of Proximity To Public Transportation using Virginia Housing template |
| <input checked="" type="checkbox"/> | Tab L: PHA / Section 8 Notification Letter |
| <input type="checkbox"/> | Tab M: <i>(left intentionally blank)</i> |
| <input type="checkbox"/> | Tab N: Homeownership Plan |
| <input type="checkbox"/> | Tab O: Plan of Development Certification Letter |
| <input type="checkbox"/> | Tab P: Zero Energy or Passive House documentation for prior allocation by this developer |
| <input checked="" type="checkbox"/> | Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property |
| <input type="checkbox"/> | Tab R: Documentation of Utility Allowance Calculation |
| <input checked="" type="checkbox"/> | Tab S: Supportive Housing Certification |
| <input checked="" type="checkbox"/> | Tab T: Funding Documentation |
| <input checked="" type="checkbox"/> | Tab U: Acknowledgement by Tenant of the availability of Renter Education provided by Virginia Housing |
| <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 |
| <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 |
| <input type="checkbox"/> | Tab Z: Documentation of team member's Veteran Owned Small Business certification |
| <input type="checkbox"/> | Tab AA: Priority Letter from Rural Development |
| <input type="checkbox"/> | Tab AB: Ownership's Veteran Owned Small Business Certification |

VHDA TRACKING NUMBER **2026-ASH-113**

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: **3/12/2026**

1. Development Name: **Gosnold II Apartments**
2. Address (line 1): **2425 Gosnold Ave**
 Address (line 2):
 City: **Norfolk** State: **VA** Zip: **23517**
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 **Norfolk City**
5. The site overlaps one or more jurisdictional boundaries. **FALSE**
 If true, what other City/County is the site located in besides response to #4?
6. Development is located in the census tract of: **27.00**
7. Development is located in a **Qualified Census Tract**. **TRUE** Note regarding DDA and QCT
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 or by the locality**. **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 household poverty rate of:

3%	10%	12%
FALSE	FALSE	FALSE
13. Development is located in a medium or high-level economic development jurisdiction based on table. **TRUE**
14. Development is located on land owned by federally or Virginia recognized Tribal Nations. **FALSE**

Enter only Numeric Values below:

15. Congressional District: **3**
- Planning District: **23**
- State Senate District: **21**
- State House District: **92**

16. Development Description: In the space provided below, give a brief description of the proposed development

Gosnold II Apartments has an allocation of LIHTCs from 2022 and 2024. This is a request for an additional 10% allocation. Gosnold II Apartments will provide permanent supportive housing to 80 formerly homeless and low-income adults. The development will involve the renovation of 44 existing units, plus a night monitor unit and common areas, as well as new construction to add 36 additional units over two floors. All 80 studio units will contain a kitchenette with full sized appliances and a full bath. 12 units will be fully accessible for individuals with disabilities and 2 units will be for individuals with sensory impairment. The building will have staff offices for on-site property management and support services staff, a front desk, community room, computer room, phone

VHDA TRACKING NUMBER

2026-ASH-113

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

3/12/2026

room, and laundry facilities. The project will be EarthCraft Gold certified. The project will follow the Uniform Relocation Act.

VHDA TRACKING NUMBER 2026-ASH-113

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/12/2026

17. 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: Patrick Roberts
Chief Executive Officer's Title: City Manager Phone: (757) 664-4242
Street Address: 810 Union Street, Suite 1101
City: Norfolk State: VA Zip: 23510

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Susan Pollock-Hart, Planning Manager

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

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

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

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 Bond credits, select the round.

[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 (skip for TE Credits)

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, 2026.

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, 2026, 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 2026 credits pursuant to Section 42(h)(1)(E).

3. Select Building Allocation type:

Mixed Construction

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

a. 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.

FALSE

If true, provide 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 split of units 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: 50

Definition of selection:

Development will be subject to an extended use agreement of 35 additional years after the 15-year compliance period for a total of 50 years.

7. Virginia Housing would like to encourage the efficiency of electronic payments. Indicate if developer commits to submitting any payments due the Authority, including reservation fees and monitoring fees, by electronic payment.

TRUE

Virginia Housing offers the Rental Housing Invoicing Portal to allow easy payments via secure ACH transactions. See Login at top right of our website. An invoice for your application fee along with access information was provided in your development's assigned Procorem work center.

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.

a. Owner Name: Gosnold II Apartments, LLC

Developer Name: SupportWorks Housing

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

Address: 1900 Cool Lane, Suite B

City: Richmond St. ▶ VA Zip: 23223

Phone: (804) 788-6825 Ext. Fax: (804) 788-6827

Email address: abogdanovic@supportworkshousing.org

Federal I.D. No. 880947769 (If not available, obtain prior to Carryover Allocation.)

Select type of entity: ▶ limited liability company Formation State: ▶ Virginia

Additional Contact: Please Provide Name, Email and Phone number.

Elliot Warsof, ewarsof@supportworkshousing.org, (757) 619-8936

- ACTION:**
- a. Provide Certification from Virginia State Corporation Commission (**Mandatory TAB B**)
 - b. Complete the Principals' Previous Participation Certification tabs within this spreadsheet. Include signed in Application PDF, along with ROFR, if applicable.

b. FALSE Indicate if at least one principal listed within Org Chart has a Veteran-Owned Small Business Certification and has at least 25% ownership interest in the controlling general partner or managing member as defined in the manual.

ACTION: If true, provide Virginia Housing Veteran Owned Small Business Certification (**TAB AB**)

c. FALSE Indicate True if the owner meets the following statement:

An applicant with a principal that, within three years prior to the current application, received an IRS Form 8609 for placing a separate development in service without returning credits to or requesting additional credits from the issuing housing finance agency, will be permitted to increase the amount of developer's fee included in the development's eligible basis by 10%.

If True above, what property placed in service?

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: Purchase Contract

Expiration Date: 12/31/2026

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 12/31/2026 .
 - 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: Gosnold Apartments, LLC
 Address: 1900 Cool Lane, Suite B
 City: Richmond St.: Virginia Zip: 23223
 Contact Person: Allison Bogdanovic Phone: (804) 788-6825

Note: No developer's fee v basis in cases where there purchaser and seller unless Housing prior to applicatio Fee Calculation in the LIHTC

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

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

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

Names	Phone	Type Ownership	% Ownership
Norfolk SRO, Inc.	(804) 788-6825	Managing Member	0.01%
SupportWorks Housing	(804) 788-6825	Sole Member of MM	0.00%
Allison Bogdanovic	(804) 788-6825	Exeucitve Director	0.00%
SupportWorks Housing	(804) 788-6825	Investor Member	99.99%
Allison Bogdanovic	(804) 788-6825	Exeucitve Director	0.00%
			0.00%
			0.00%

needs ownership %
needs ownership %
needs ownership %

E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team.

► Indicate Veteran Owned Small Business designation (as defined in the manual) to each team member (if applicable). You can mark True for 3 members to receive the full 10 points.

ACTION: Provide copy of certification from Commonwealth of Virginia, if applicable - **TAB Z**

1. Tax Attorney:	Lauren Nowlin	This is a Related Entity.	FALSE
Firm Name:	Williams Mullen		
Address:	200 South 10th Street, Suite 1600	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23219		
Email:	lnowlin@williamsmullen.com	Phone:	(804) 420-6585
2. Tax Accountant:	Michael Vicars, CPA	This is a Related Entity.	FALSE
Firm Name:	Dooley & Vicars		
Address:	21 South Sheppard Street	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23221		
Email:	mike@dvcpas.com	Phone:	(804) 355-2808
3. Consultant:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
4. Management Entity:	Sheila Parker	This is a Related Entity.	TRUE
Firm Name:	SupportWorks Housing		
Address:	1900 Cool Lane, Suite B	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23223		
Email:	sparker@supportworkshousing.org	Phone:	(804) 788-6825
5. Contractor:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip			
Email:		Phone:	
6. Architect:	Scott Campbell, AIA	This is a Related Entity.	FALSE
Firm Name:	VIA Design Architects		
Address:	319 East Plume Street	Veteran Owned Small Bus?	FALSE
City, State, Zip	Norfolk, VA 23510		
Email:	scampbell@viadesignarchitects.com	Phone:	(757) 627-1489

E. DEVELOPMENT TEAM INFORMATION

7. Real Estate Attorney:	Lauren Nowlin	This is a Related Entity.	FALSE
Firm Name:	Williams Mullen		
Address:	200 South 10th Street, Suite 1600	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23219		
Email:	Inowlin@williamsmullen.com	Phone:	(804) 420-6585
8. Mortgage Banker:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip			
Email:		Phone:	
9. Other 1:	Jennifer Tiller	This is a Related Entity.	TRUE
Firm Name:	SupportWorks Housing		
Address:	1900 Cool Lane, Suite B	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23223	Role:	Support Services Provider
Email:	jtiller@supportworkshousing.org	Phone:	(804) 788-6825
10. Other 2:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
11. Other 3:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
12. Other 4:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
13. Other 5:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	

F. REHAB INFORMATION

1. Acquisition Credit Information

a. Credits are being requested for existing buildings being acquired for development. FALSE

Action: If true, provide an electronic copy of the Existing Condition Questionnaire, Unit by Unit Matrix and Appraisal.

b. This development has received a previous allocation of credits TRUE
 If so, when was the most recent year that this development received credits? 2005
 If this is a preservation deal,
 what date did this development enter its Extended Use Agreement period? 8/1/2005

c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority? 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. TRUE

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

F. REHAB INFORMATION

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. TRUE

- b. **Minimum Expenditure Requirements**
 - i. All buildings in the development satisfy the rehab costs per unit requirement of IRS Section 42(e)(3)(A)(ii). TRUE

 - ii. All buildings in the development qualify for the IRC Section 42(e)(3)(B) exception to the 10% basis requirement (4% credit only) FALSE

 - iii. All buildings in the development qualify for the IRC Section 42(f)(5)(B)(ii)(II) exception. FALSE

 - iv. There are different circumstances for different buildings. FALSE
Action: (If True, provide an explanation for each building in Tab K)

G. NONPROFIT INVOLVEMENT

Applications for 9% Credits - Section 1 must be completed in order to compete in the Non Profit tax credit pool.

All Applicants - Section 2 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)

TRUE There is nonprofit involvement in this development. (If false, skip to #3.)

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

B. Type of involvement:

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

or

TRUE Nonprofit meets eligibility requirements for nonprofit pool and points.

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: Applicant

Name:

Contact Person:

Street Address:

City: State: VA Zip:

Phone: Contact Email:

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

G. NONPROFIT INVOLVEMENT

Specify the nonprofit entity's percentage ownership of the general partnership interest: 100.0%

G. NONPROFIT INVOLVEMENT

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

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

Action: Provide Option or Right of First Refusal in recordable form using Virginia Housing's template. (TAB V) Provide Nonprofit Questionnaire (if applicable) (TAB I)

Name of qualified nonprofit: SupportWorks Housing

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

B. 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.

Do not select if extended compliance is selected on Request Info Tab

Action: Provide Homeownership Plan (TAB N) and contact Virginia Housing for a Pre-Application Meeting

NOTE: Applicant is required to waive the right to pursue a Qualified Contract.

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of all units in development	81	bedrooms	81
Total number of rental units in development	80	bedrooms	80
Number of low-income rental units	80	bedrooms	80
Percentage of rental units designated low-income	100.00%		

If deal has both New/Adaptive Reuse units AND Rehab units, you must request a Mixed Construction Application. Contact Vi

b. Number of new units:	36	bedrooms	36
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:	44	bedrooms	44

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	50,350.52	(Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage)	1,172.97	(Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding)	0.00	
g. Total Usable Residential Heated Area	49,177.55	(Sq. ft.)

New Construction	27,975.57
Adaptive Reuse	-
Rehab	21,201.98

h. Percentage of Net Rentable Square Feet Deemed To Be **New Rental Space** 46.20%

i. Exact area of site in acres 50350.000

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	NC	Adaptive Reuse	Rehab
	FALSE	FALSE	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:**

LIHTC Units can not be greater than Total Rental Units

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
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	580.78	SF	80	80
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
			80	80

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: 86 years
- c. Maximum Number of stories: 2

d. The development is a scattered site development. FALSE

e. Commercial Area Intended Use:

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

g. Indicate **True** for all development's structural features that apply:

- | | | | |
|------------------------|-------|---------------------------|-------|
| i. Row House/Townhouse | FALSE | v. Detached Single-family | FALSE |
| ii. Garden Apartments | TRUE | vi. Detached Two-family | FALSE |
| iii. Slab on Grade | TRUE | vii. Basement | FALSE |
| iv. Crawl space | FALSE | | |

H. STRUCTURE AND UNITS INFORMATION

h. Development contains an elevator(s).	TRUE
If true, # of Elevators.	2
Elevator Type (if known)	Machine-room-less, electric traction

H. STRUCTURE AND UNITS INFORMATION

- i. Roof Type ▶ Combination
- j. Construction Type ▶ Combination
- k. Primary Exterior Finish ▶ Combination

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: Community room, private courtyard, phone room, support services

m. Number of Proposed Parking Spaces 47
 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 or proffered public bus stop. TRUE

If **True**, Provide required documentation (**TAB K2**).

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.

c. **All Tax Exempt 4% Applications must submit plans and specifications complete at least through Design Development (DD) phase for all design disciplines.** Reference the separate Minimum Design and Construction Requirements document for a full list of submission requirements for New Construction and Rehabilitation projects.

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.

J. ENHANCEMENTS

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

- a. **New Construction:** must obtain 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. The HERS report should be completed for the whole development and not an individual unit.

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

ACTION: Provide RESNET rater certification of Development Plans **(TAB F)**

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

REQUIRED: All Applicants must commit to provide free Wi-Fi access in the community room and restrict usage to residents only.

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

New Constr.	Adaptive Reuse	Rehab
-------------	----------------	-------

TRUE

a. A community/meeting room with a minimum of 749 square feet is provided with free WIFI access restricted to residents only.

0.00%

b1. Percentage of brick covering the exterior walls.

100.00%

b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering exterior walls. Community buildings are to be included in percentage calculations.

TRUE FALSE TRUE

c. All kitchen light fixtures are LED and meet MDCR lighting guidelines.

TRUE

d. Cooking surfaces are equipped with fire suppression features as defined in the manual

TRUE	Choose for all units
or	
FALSE	

e. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.

f. Full bath fans are equipped with a humidistat.

TRUE FALSE TRUE

g. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.

TRUE	Select if True for REHAB portion
------	----------------------------------

h. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service where it does not already exist.

TRUE	Choose for all units
------	----------------------

i. Each unit is provided free individual high-speed internet access.
(Must have a minimum 20Mbps upload/ 100Mbps download speed per manual.)

TRUE FALSE TRUE

j. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.

FALSE	Select if True for REHAB portion
-------	----------------------------------

k. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.

or

TRUE	FALSE	TRUE
------	-------	------

l. All Construction types: each unit is equipped with a permanent dehumidification system.

TRUE FALSE TRUE

m. All interior doors within units are solid core.

TRUE	Choose for all units
------	----------------------

n. Installation of a renewable energy electric system in accordance with manufacturer's specifications and all applicable provisions of the National Electrical Code - Provide documentation at **Tab F**.

J. ENHANCEMENTS

FALSE

- o. 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 FALSE FALSE a. All cooking ranges have front controls.
- FALSE FALSE FALSE b. Bathrooms have an independent or supplemental heat source.
- FALSE FALSE FALSE c. All entrance doors have two eye viewers, one at 42" inches and the other at standard height.
- FALSE FALSE FALSE d. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.

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:

- TRUE Earthcraft Gold or higher certification FALSE National Green Building Standard (NGBS) certification of Silver or higher.
- FALSE LEED Certification FALSE Enterprise Green Communities (EGC) Certification

If Green Certification is selected, no points will be awarded for g. Watersense Bathroom fixtures above.

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.)

- TRUE Zero Energy Ready Home Requirements FALSE Passive House Standards
- FALSE Applicant wishes to claim points from a prior allocation that has received certification for Zero Energy Ready or Passive House Standards. Provide certification at Tab P. See Manual for details and requirements.

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.
- 80 b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards: 100% of Total Rental Units

No Market Units listed on Structure 1a.

- 4. FALSE Market-rate units' amenities are substantially equivalent to those of the low income units.
If not, please explain.

SAC 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 Through Wall
- 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/ Electric? | <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 category, as appropriate.

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

TRUE

Any development in which ten percent (10%) of the total 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 the application for credits.

All common space must also conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act.

SAC

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

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)

TRUE

If Supportive Housing is True: Will the supportive housing consist of units designated for tenants that are homeless or at risk of homelessness?

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

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

TRUE

(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 as described in the manual.)

Action: Provide Relocation Plan, Budget and Unit Delivery Schedule (**Mandatory if tenants are displaced - Tab J**)

K. SPECIAL HOUSING NEEDS

3. Leasing Preferences

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

Organization which holds waiting list: Norfolk Redevelopment and Housing Authority

Contact person: Pamela Jones-Watford

Title: Vice President of Rental Assistance Programs

Phone Number: (757) 624-8629

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.

[Download Current CMA List from VirginiaHousing.com](http://VirginiaHousing.com)

Action: Provide documentation of tenant disclosure regarding Virginia Housing Rental Education **(Mandatory - Tab U)**

4. Target Population Leasing Preference

Unless prohibited by an applicable federal subsidy program, each applicant shall commit to provide a leasing preference to individuals (i) in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth, (ii) having a voucher or other binding commitment for rental assistance from the Commonwealth, and (iii) referred to the development by a referring agent approved by the Authority. The leasing preference shall not be applied to more than ten percent (10%) of the total units in the development at any given time. The applicant may not impose tenant selection criteria or leasing terms with respect to individuals receiving this preference that are more restrictive than the applicant’s tenant selection criteria or leasing terms applicable to prospective tenants in the development that do not receive this preference, the eligibility criteria for the rental assistance from the Commonwealth, or any eligibility criteria contained in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth.

Primary Contact for Target Population leasing preference. The agency will contact as needed.

First Name: Sheila

Last Name: Parker

Phone Number: (804) 788-6825

Email: sparker@supportworkshousing.org

K. SPECIAL HOUSING NEEDS

5. Rental Assistance

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

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

- FALSE Rental Assistance Demonstration (RAD) or other PHA conversion to project based rental assistance.
- FALSE Section 8 New Construction Substantial Rehabilitation
- FALSE Section 8 Moderate Rehabilitation
- FALSE Section 811 Certificates
- TRUE Section 8 Project Based Assistance
- FALSE RD 515 Rental Assistance
- FALSE Section 8 Vouchers
*Administering Organization: _____
- FALSE State Assistance
*Administering Organization: _____
- FALSE Other: _____

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:	<u>80</u>
How many years in rental assistance contract?	<u>20.00</u>
Expiration date of contract:	<u>8/5/2047</u>
There is an Option to Renew.	<u>TRUE</u>

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

6. Public Housing Revitalization

Is this development replacing or revitalizing Public Housing Units? FALSE

If so, how many existing Public Housing units? 0

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 three 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), (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), or (iii) 40% or more of the units are both rent-restricted and occupied by persons whose income does not exceed the imputed income limitation designated in 10% increments between 20% to 80% of the AMI, and the average of the imputed income limitations collectively does not exceed 60% of the AMI (this is called the Average Income Test (AIT)). All occupancy tests are described in Section 42 of the IRC. Rent-and income-restricted units are known as low-income units. If you have more low-income units than required, you qualify for more credits. If you serve lower incomes than required, you receive more points under the ranking system.

a. Units Provided Per Household Type:

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
12	15.00%	40% Area Median
28	35.00%	50% Area Median
40	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
80	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
12	15.00%	40% Area Median
28	35.00%	50% Area Median
40	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
80	100.00%	Total

b. Indicate that you are electing to receive points for the following deeper targets shown in the chart above and those targets will be reflected in the set-aside requirements within the Extended Use Agreement.

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

c. The development plans to utilize average income testing..... FALSE

2. Unit Mix Grid

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	40% AMI	2		353.70	\$1,279.00	\$2,558
Mix 2	Efficiency	40% AMI	5		357.54	\$1,279.00	\$6,395
Mix 3	Efficiency	40% AMI	1		367.52	\$1,279.00	\$1,279
Mix 4	Efficiency	40% AMI	1	1	379.84	\$1,279.00	\$1,279
Mix 5	Efficiency	40% AMI	1		439.77	\$1,279.00	\$1,279
Mix 6	Efficiency	40% AMI	1		451.21	\$1,279.00	\$1,279

L. UNIT DETAILS

Mix 7	Efficiency	40% AMI	1		451.54	\$1,279.00	\$1,279
Mix 8	Efficiency	50% AMI	2		354.21	\$1,279.00	\$2,558
Mix 9	Efficiency	50% AMI	22		357.56	\$1,279.00	\$28,138
Mix 10	Efficiency	50% AMI	4		370.13	\$1,279.00	\$5,116
Mix 11	Efficiency	60% AMI	13		357.60	\$1,279.00	\$16,627
Mix 12	Efficiency	60% AMI	27	11	367.78	\$1,279.00	\$34,533
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0
Mix 16							\$0
Mix 17							\$0
Mix 18							\$0
Mix 19							\$0
Mix 20							\$0
Mix 21							\$0
Mix 22							\$0
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Mix 57							\$0
Mix 58							\$0

L. UNIT DETAILS

Mix 59									\$0
Mix 60									\$0
Mix 61									\$0
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Mix 63									\$0
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Mix 65									\$0
Mix 66									\$0
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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			80	12					\$102,320

Total Units	80	Net Rentable SF:	TC Units	29,219.10
			MKT Units	0.00
			Total NR SF:	29,219.10

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

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$1,800
2. Office Salaries			\$46,000
3. Office Supplies			\$2,250
4. Office/Model Apartment	(type <input type="text"/>)		
5. Management Fee			\$88,448
	<u>7.74%</u> of EGI	<u>\$1,105.60</u>	Per Unit
6. Manager Salaries			\$80,650
7. Staff Unit (s)	(type <input type="text"/>)		\$0
8. Legal			\$2,022
9. Auditing			\$5,200
10. Bookkeeping/Accounting Fees			\$3,775
11. Telephone & Answering Service			\$13,500
12. Tax Credit Monitoring Fee			\$3,600
13. Miscellaneous Administrative			\$43,830
Total Administrative			\$291,075

Utilities

14. Fuel Oil			\$0
15. Electricity			\$60,000
16. Water			\$16,000
17. Gas			\$0
18. Sewer			\$42,000
Total Utility			\$118,000

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$2,080
21. Janitor/Cleaning Contract			\$4,500
22. Exterminating			\$11,460
23. Trash Removal			\$10,166
24. Security Payroll/Contract			
25. Grounds Payroll			\$1,040
26. Grounds Supplies			
27. Grounds Contract			\$5,460
28. Maintenance/Repairs Payroll			\$75,000
29. Repairs/Material			\$10,316
30. Repairs Contract			\$4,888
31. Elevator Maintenance/Contract			\$8,500
32. Heating/Cooling Repairs & Maintenance			\$9,500
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$832
35. Decorating/Payroll/Contract			\$520

M. OPERATING EXPENSES

36. Decorating Supplies		\$0
37. Miscellaneous		\$36,188
Totals Operating & Maintenance		\$180,450

Taxes & Insurance

38. Real Estate Taxes		\$69,408
39. Payroll Taxes		\$29,320
40. Miscellaneous Taxes/Licenses/Permits		\$2,800
41. Property & Liability Insurance	\$1,630 per unit	\$132,000
42. Fidelity Bond		\$0
43. Workman's Compensation		\$2,600
44. Health Insurance & Employee Benefits		\$32,000
45. Other Insurance		\$0
Total Taxes & Insurance		\$268,128

Total Operating Expense		\$857,653
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Total Operating Expenses Per Unit	\$10,588	C. Total Operating Expenses as % of EGI	75.07%
--	-----------------	--	---------------

Replacement Reserves (Total # Units X \$300 or \$250 New Const./Elderly Minimum)	\$24,000
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Total Expenses	\$881,653
-----------------------	------------------

N. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

To select exclusion of allowable line items from Total Development Costs used in Cost limit calculations, select X in yellow box to the left.

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)	6,153,017	0	0	6,153,017
b. Unit Structures (Rehab)	5,349,165	0	0	5,349,165
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
<input type="checkbox"/> e. Structured Parking Garage	0	0	0	0
Total Structure	11,502,182	0	0	11,502,182
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
<input checked="" type="checkbox"/> h. Renewable Energy	289,145	0	0	289,145
i. Roads & Walks	0	0	0	0
j. Site Improvements	720,509	0	0	450,000
k. Lawns & Planting	0	0	0	0
l. Engineering	0	0	0	0
m. Off-Site Improvements	132,292	0	0	0
n. Site Environmental Mitigation	0	0	0	0
o. Demolition	544,700	0	0	544,700
p. Site Work	0	0	0	0
q. Hard Cost Contingency	1,486,891	0	0	1,486,891
Total Land Improvements	3,173,537	0	0	2,770,736
Total Structure and Land	14,675,719	0	0	14,272,918
r. General Requirements	823,744	0	0	823,744
s. Builder's Overhead (1.9% Contract)	274,581	0	0	274,581
t. Builder's Profit (5.6% Contract)	823,744	0	0	823,744
u. Bonds	47,162	0	0	0
v. Building Permits	0	0	0	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: Wood Destroying Report	2,500	0	0	2,500
z. Other 2:	0	0	0	0
aa. Other 3:	0	0	0	0
Contractor Costs	\$16,647,450	\$0	\$0	\$16,197,487

Construction cost per unit: \$201,954.38

MAXIMUM COMBINED GR, OVERHEAD & PROFIT =

\$2,054,601

ACTUAL COMBINED GR, OVERHEAD & PROFIT =

\$1,922,069

O. PROJECT BUDGET - OWNER COSTS

To select exclusion of allowable line items from Total Development Costs used in Cost limit calculations, select X in yellow box to the left.

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	85,000	0	0	85,000
b. Architecture/Engineering Design Fee \$10,000 /Unit)	800,000	0	0	800,000
c. Architecture Supervision Fee \$2,101 /Unit)	168,103	0	0	168,103
d. Tap Fees	0	0	0	0
e. Environmental	40,000	0	0	40,000
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	74,000	0	0	74,000
h. Appraisal	10,000	0	0	10,000
i. Market Study	10,300	0	0	10,300
j. Site Engineering / Survey	15,000	0	0	15,000
k. Construction/Development Mgt	40,000	0	0	40,000
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	80,000	0	0	80,000
n. Construction Interest (7.0% for 22 months)	1,181,590	0	0	600,000
o. Taxes During Construction	100,000	0	0	100,000
p. Insurance During Construction	200,000	0	0	200,000
q. Permanent Loan Fee (1.5%)	100,000			
r. Other Permanent Loan Fees	50,000			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	20,000	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	100,000	0	0	50,000
w. Legal Fees for Closing	50,000	0	0	0
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	97,301			
z. Tenant Relocation	2,000,000			1,400,000
aa. Fixtures, Furnitures and Equipment	250,000	0	0	250,000
ab. Organization Costs	150,000			
ac. Operating Reserve	700,218			
ad. Soft Costs Contingency	133,754			
ae. Security	0	0	0	0
af. Utilities	50,000	0	0	0
ag. Supportive Service Reserves	0			

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify: Predevelopment Loan Fees	73,000	0	0	0
(2) Other* specify: Legal Fees: Construction an	130,000	0	0	25,000
(3) Other* specify: Labor Compliance	65,000	0	0	0
(4) Other* specify:		0	0	0
(5) Other* specify: Capitalized Replacement Re	30,000	0	0	0
(6) Other* specify: Marketing & Preleasing	75,000	0	0	0
(7) Other* specify: Lease Up Reserve	50,000	0	0	0
(8) Other* specify: Special and Construction Lc	59,500	0	0	59,500
(9) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$6,987,766	\$0	\$0	\$4,006,903
Subtotal 1 + 2 (Owner + Contractor Costs)	\$23,635,216	\$0	\$0	\$20,204,390
3. Developer's Fees	2,186,572	0	0	2,186,572
4. Owner's Acquisition Costs				
Land	472,500			
Existing Improvements	2,882,300	2,882,300		
Subtotal 4:	\$3,354,800	\$2,882,300		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$29,176,588	\$2,882,300	\$0	\$22,390,962

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: \$2,589,201

O.1 Distribution of Costs by Construction Type

1. Provide details of costs broken out by construction type:

Cost Type	Actual Costs	New Construction	Adaptive Reuse	Rehab
a. Contractor Costs (less requested exclusions)	\$16,358,305	\$8,875,386	\$0	\$7,482,919
Separate Commercial Space Costs	\$0	\$0	\$0	\$0
% of Contractor Costs		\$1	\$0	\$0
b. Owner Costs				
Tap Fees	\$0	\$0	\$0	\$0
Operating Reserves	\$700,218	\$315,098	\$0	\$385,120
All Other Owner Costs (exclude Developer Fee)	\$6,287,548	\$1,929,397	\$0	\$4,358,151
c. Land Cost	\$472,500	\$212,625	\$0	\$259,875
d. Building Acquisition Costs (see note for previously owned buildings)	\$2,882,300		\$0	\$2,882,300
f. Developer's Fee	\$0	\$983,957	\$0	\$1,202,615
Total	\$26,700,871	\$12,316,463	\$0	\$16,570,980
Less: Tap Fees, Operating Reserves, Commercial Space and Land		\$527,723	\$0	\$3,527,295
Net		\$11,788,740	\$0	\$13,043,685
Number of Units from Structure:	81	36	0	44
% of Overall Units:		44%	0%	54%
Proposed Development's Cost per Sq Ft		\$421	\$0	\$615
Applicable Cost Limits per Sq Ft		\$556	\$556	\$417

P. ELIGIBLE BASIS CALCULATION

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	29,176,588	2,882,300	0	22,390,962

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)

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	6,717,289
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

5. Applicable Fraction

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

7. Applicable Percentage

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)	\$115,292	\$0	\$2,619,743
	\$2,735,035 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.	Construction Loan	02/24/23	03/17/23	\$10,000,000	Rene Shepperson, Atlantic Union Bank
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)
				<i>(Whole Numbers only)</i>				
1.								
2.	DHCD NHTF	11/1/2024	6/11/2025	\$1,000,000	\$5,000	0.50%	30	30
3.	DHCD VHTF	11/1/2024	6/11/2025	\$2,000,000	\$0	0.00%	30	30
4.	DHCD HIEE	11/1/2024	6/11/2025	\$2,000,000				
5.	DHCD HOME-ARP	6/30/2025	4/17/2026	\$1,500,000	\$7,500	0.50%	30	30
6.	Virginia Housing	1/9/2026	4/30/2026	\$2,000,000				
7.	City of Norfolk HOME-ARP	10/24/2023	11/14/2023	\$2,250,000				
8.	City of Norfolk CDBG	1/5/2023	6/6/2023	\$740,075				
9.	City of Chesapeake HOME	1/11/2023	8/31/2023	\$900,000				
10.	HUD Community Project F	3/7/2023	8/28/2024	\$500,000				
11.	Hampton Roads Commun	1/3/2023	3/21/2023	\$200,000				
12.	TowneBank Foundation	3/20/2024	12/31/2024	\$150,000				
13.	The Blocker Foundation	7/15/2024	10/17/2024	\$150,000				
14.	Alison J. and Ella W. Parso	9/1/2024	11/1/2024	\$75,000				
15.	VSH Seller Note	5/1/2026	7/30/2026	\$2,863,191				
16.								
17.								
18.								
19.								
20.								
Total Permanent Funding:				\$16,328,266	\$12,500			

Q. SOURCES OF FUNDS

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

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

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.	DHCD NHTF, VHTF	6/11/2025	\$2,000,000
2.	DHCD HIEE	6/11/2025	\$2,000,000
3.	Norfolk CDBG/HOME-ARP; Chesapeake	11/14/2023	\$3,890,075
4.	HUD Community Project Funds	8/28/2024	\$500,000
5.	Foundations: Hampton Roads Communi	12/31/2024	\$575,000
Total Subsidized Funding			\$8,965,075

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

Market-Rate 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.	Virginia Housing REACH Funds	\$0
g.	HOME Funds	\$0
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$1,000,000
j.	Virginia Housing Trust Fund	\$1,000,000
k.	Other:	\$3,890,075
	Locality Funds (CDBG/HOME-ARP)	
l.	Other:	\$0

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

Q. SOURCES OF FUNDS

Grants*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

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

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

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

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

--	--

8. Other Subsidies **Action:** Provide documentation (Tab Q)

- a. TRUE Real Estate Tax Abatement on the increase in the value of the development.
- b. TRUE **New** project based subsidy from HUD or Rural Development or any other binding federal project based subsidy
80 Number of New PBV Vouchers
- c. FALSE Other

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. Housing Opportunity Tax Credit Request (paired with 4% credit requests only)

i. Requested Annual HOTC Credits	\$0
ii. 10 Year HOTC Credit Amount	\$0
iii. Equity Dollars Per Credit	\$0.000
iv. Percent of ownership entity (repeated from 3b)	99.99000%
v. HOTC Credit Net	\$0

c. Equity that Sponsor will Fund:

i. Cash Investment	\$409	
ii. Contributed Land/Building	\$0	
iii. Deferred Developer Fee	\$1,016,645	(Note: Deferred Developer Fee cannot be negative.)
v. Other:	\$0	

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 \$1,017,054

2. Equity Gap Calculation

a. Total Development Cost	\$29,176,588
b. Total of Permanent Funding, Grants and Equity	- <u>\$17,345,320</u>
c. Equity Gap	\$11,831,268
d. Developer Equity	- <u>\$1,185</u>
e. Equity gap to be funded with low-income tax credit proceeds	\$11,830,083

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	▶ Virginia Community Development Corporation (VCDC)		
Contact Person:	Steve Bleile	Phone:	(804) 682-6231
Street Address:	115 South 15th Street, Suite 501		
City:	Richmond	State:	Virginia
		Zip:	23219

b. Syndication Equity

i. Anticipated Annual Credits	\$1,375,729.00
Breakdown of Credits by Type	
New Construction	\$770,409.00
Adaptive Reuse	\$0.00
Rehab	\$605,320.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.860
iii. Percent of ownership entity (e.g., 99% or 99.9%)	99.99000%
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	\$0
v. Net credit amount anticipated by user of credits	\$1,375,591
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$11,830,083

Action: Provide Syndicator's or Investor's signed Letter of Intent (Mandatory at Tab C)

4. Net Syndication Amount	<u>\$11,830,083</u>
Which will be used to pay for Total Development Costs	
5. Net Equity Factor	<u>85.9999762062%</u>

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>\$29,176,588</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u><u>\$17,345,320</u></u>
3. Equals Equity Gap		<u>\$11,831,268</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u><u>85.9999762062%</u></u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$13,757,292</u>
Divided by ten years		<u><u>10</u></u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$1,375,729</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$2,735,035</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$1,375,729</u>
Credit per LI Units	<u>\$17,196.6125</u>	Combined 30% & 70% PV Credit Requested
Credit per LI Bedroom	<u>\$17,196.6125</u>	

9. **Action:** Provide Attorney’s Opinion using Virginia Housing template (**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		\$102,320
Plus Other Income Source (list):	Laundry	\$50
Equals Total Monthly Income:		\$102,370
Twelve Months		x12
Equals Annual Gross Potential Income		\$1,228,440
Less Vacancy Allowance	7.0%	\$85,991
Equals Annual Effective Gross Income (EGI) - Low Income Units		\$1,142,449

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

Total Monthly Income for Market Rate Units:		\$0
Plus Other Income Source (list):		\$0
Equals Total Monthly Income:		\$0
Twelve Months		x12
Equals Annual Gross Potential Income		\$0
Less Vacancy Allowance	7.0%	\$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	\$1,142,449
b.	Annual EGI Market Units	\$0
c.	Total Effective Gross Income	\$1,142,449
d.	Total Expenses	\$881,653
e.	Net Operating Income	\$260,796
f.	Total Annual Debt Service	\$12,500
g.	Cash Flow Available for Distribution	\$248,296

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	1,142,449	1,165,298	1,188,604	1,212,376	1,236,624
Less Oper. Expenses	881,653	908,103	935,346	963,406	992,308
Net Income	260,796	257,196	253,258	248,970	244,316
Less Debt Service	12,500	12,500	12,500	12,500	12,500
Cash Flow	248,296	244,696	240,758	236,470	231,816
Debt Coverage Ratio	20.86	20.58	20.26	19.92	19.55

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	1,261,356	1,286,583	1,312,315	1,338,561	1,365,333
Less Oper. Expenses	1,022,077	1,052,740	1,084,322	1,116,852	1,150,357
Net Income	239,279	233,844	227,993	221,710	214,975
Less Debt Service	12,500	12,500	12,500	12,500	12,500
Cash Flow	226,779	221,344	215,493	209,210	202,475
Debt Coverage Ratio	19.14	18.71	18.24	17.74	17.20

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	1,392,639	1,420,492	1,448,902	1,477,880	1,507,437
Less Oper. Expenses	1,184,868	1,220,414	1,257,026	1,294,737	1,333,579
Net Income	207,771	200,078	191,875	183,143	173,858
Less Debt Service	12,500	12,500	12,500	12,500	12,500
Cash Flow	195,271	187,578	179,375	170,643	161,358
Debt Coverage Ratio	16.62	16.01	15.35	14.65	13.91

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: 2

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

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS					30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS	Street Address 1	Street Address 2	City	State	Zip	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
		1.	VA0512001	44		2425 Gosnold Avenue		Norfolk	VA	23517	\$2,882,300	08/01/27	4.00%	\$115,292				\$0	\$14,174,407	12/31/27
2.	VA2533000	36		2425 Gosnold Avenue - Rear		Norfolk	VA	23517				\$0				\$0	\$14,933,844	12/31/27	9.00%	\$1,344,046
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
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19.												\$0				\$0				\$0
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37.												\$0				\$0				\$0
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40.												\$0				\$0				\$0
41.												\$0				\$0				\$0
42.												\$0				\$0				\$0

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:	2
-----------------	---

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

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS					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			
		Street Address 1	Street Address 2	City	State	Zip																	
43.													\$0					\$0					\$0
44.													\$0					\$0					\$0
45.													\$0					\$0					\$0
46.													\$0					\$0					\$0
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50.													\$0					\$0					\$0
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79.													\$0					\$0					\$0
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82.													\$0					\$0					\$0
83.													\$0					\$0					\$0
84.													\$0					\$0					\$0

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: 2

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Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS					30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS	Street Address 1	Street Address 2	City	State	Zip	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
		85.											\$0				\$0			
86.											\$0				\$0				\$0	
87.											\$0				\$0				\$0	
88.											\$0				\$0				\$0	
89.											\$0				\$0				\$0	
90.											\$0				\$0				\$0	
91.											\$0				\$0				\$0	
92.											\$0				\$0				\$0	
93.											\$0				\$0				\$0	
94.											\$0				\$0				\$0	
95.											\$0				\$0				\$0	
96.											\$0				\$0				\$0	
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109.											\$0				\$0				\$0	
110.											\$0				\$0				\$0	
111.											\$0				\$0				\$0	
112.											\$0				\$0				\$0	
113.											\$0				\$0				\$0	
114.											\$0				\$0				\$0	
115.											\$0				\$0				\$0	
116.											\$0				\$0				\$0	
117.											\$0				\$0				\$0	
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120.											\$0				\$0				\$0	
121.											\$0				\$0				\$0	
122.											\$0				\$0				\$0	
123.											\$0				\$0				\$0	
124.											\$0				\$0				\$0	
125.											\$0				\$0				\$0	
		80	0																	

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).

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Bldg #	BIN if known	TAX CREDIT UNITS	MARKET RATE UNITS	Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS				30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit						
				Street Address 1	Street Address 2	City	State	Zip	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount		
Totals from all buildings									\$2,882,300				\$0					\$29,108,251				\$2,619,743

Number of BINS: 2

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 agrees to provide disclosure to all tenants of the availability of Renter Education provided by Virginia Housing.
- 16. that undersigned waives the right to pursue a Qualified Contract on this development.
- 17. 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: Gosnold II Apartments, LLC
By: Gosnold II Managing Member, LLC, its managing n
By: SupportWorks Housing, its sole and managing me

By: Signed by: Allison Bondanovic
 Its: 329EDDDCD83C4A2...
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:	Scott A. Campbell, AIA
Virginia License#:	0401015897
Architecture Firm or Company:	VIA design architects, pc

By:  _____

Its: President
(Title)

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

V. Previous Participation Certification

Development Name: Gosnold II Apartments

Name of Applicant (entity): SupportWorks Housing

The undersigned, being duly authorized to sign on behalf of the Applicant, provide this Certification with the understanding that Virginia Housing intends to rely upon the statements made herein for the purpose of awarding and allocating federal low-income housing tax credits.

The following terms shall be defined as follows *for the purpose of this Certification only* :

- “Principal” has the same meaning as defined within the QAP, but as applied to each specific property referenced within this Certification, it excludes individuals and entities whose ownership interest is solely vested in limited partnership interests of the ownership entity.
- “Participant” means all Principals of the Owner who are required to be individually listed within **the organizational chart attached hereto**.

1. All the statements made within this Certification are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained within the organizational charts and any statements attached to this Certification, and I will immediately alert Virginia Housing should I become aware of any information prior to the application deadline which may render my statements herein false or misleading.
2. During any time within the past ten (10) years that any of the Participants were Principals in any multifamily rental property, no mortgagee of any such property declared a default under its mortgage loan or assigned it to the mortgage insurer (governmental or private); no such property was foreclosed upon or dispossessed pursuant to a deed-in-lieu of foreclosure; and no such property received mortgage relief from the mortgagee. For purposes of this statement, "declared a default" refers only to final notices of default issued after the exhaustion of all applicable notice and cure rights.
3. During any time within the last ten (10) years that any of the Participants were a Principal in an owner of multifamily rental property, no such owner was determined to have breached any agreement related to the construction or rehabilitation, use, operation, management or disposition of the property, including removal from a partnership or limited liability company. For the purposes of this statement, "determined to have breached" refers only to determinations made by an independent third-party arbiter or court of law following the expiration of all applicable notice and cure periods and excludes default judgments that have been fully satisfied.
4. No Participant listed in this Certification has been required to turn control of a property over to an investor or been otherwise involuntarily removed as a general partner from the ownership of a multifamily rental property within the past ten (10) years.

5. There are no unresolved material findings of noncompliance resulting from any audits, management reviews, or other governmental investigations performed by (or on behalf of) any state or federal entity, concerning any multifamily rental property in which any of the Participants were Principals at the time of such finding. For the purposes of this statement, a finding is considered resolved if either (a) the state or federal entity issuing the finding has determined that no further action is required to remedy the finding; or (b) the Participant (or entity in which it is a Principal) has entered into a binding agreement with the applicable state or federal entity to address such finding(s) and the Applicant has included with this Certification a copy of such agreement accompanied by a written statement from the state or federal entity verifying that such agreement is not in default and is reasonably expected to be satisfied within (90) days. Any such statement must be addressed to Virginia Housing and dated no more than thirty (30) days prior to submission of the Application.

6. During the past ten (10) years, no Participants were Principals in any multifamily rental property for which payments under any state or federal assistance contract were suspended or terminated. For the purposes of this statement, suspensions and terminations do not include those caused solely by actions or inactions of the state or federal agency, like funding shortages, technical issues, or administrative delays, where the Principals were not at fault.

7. None of the Participants have been convicted of a felony and none are presently the subject of a complaint of 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. No Participant has been suspended, debarred, or otherwise restricted by any federal or state entity from participating in housing programs administered by such entity due to programmatic noncompliance on the part of either the Participant or an entity in which the Participant was a Principal.

9. During the past ten (10) years, (a) no Participant has been the subject of a claim under an employee fidelity bond; and (b) while any Participant was a Principal in an owner of multifamily rental property, no Participant or such related owner defaulted on any obligation secured by a letter of credit or surety or performance bond. For the purposes of this statement, "defaulted" refers only to events where funds were paid by the issuer of a letter of credit or surety or performance bond.

10. No Participant is a Virginia Housing employee or a member of the immediate household of any Virginia Housing employee.

11. No Participant currently holds an ownership interest in a multifamily rental property where construction has stopped for more than 20 consecutive days, unless the stoppage:

(a) resulted from events beyond the reasonable control of the property owner that also caused similar delays in comparable projects in the surrounding area (e.g. natural disasters, labor strikes, pandemics, or government-imposed work stoppages); or

(b) solely involves work neither contractually required as a condition of tax credit allocation nor required prior to placing in service all residential buildings within such project.

Additionally, no Participant currently holds an ownership interest in a multifamily rental property assisted by a federal or state governmental entity and that has been substantially complete for more

than 90 days without the required closing documents (such as the final cost certification) being filed, unless the delay is solely attributable to the governmental entity and not to the property owner or its agents.

12. No court of competent jurisdiction or other federal or state governmental entity has found any Participant to be in violation of any applicable civil rights, fair housing, or equal employment opportunity laws or regulations.

13. During the past ten (10) years, no Participant was a Principal in any multifamily rental property found by a court of competent jurisdiction or other federal or state governmental entity to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended (this statement does not refer to 8823s deemed corrected by the issuing agency).

14. No Participants are 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. No Participant 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 and failure to certify, I have attached the following, which if not provided will automatically disqualify this Application from consideration:

- A. Supporting documentation sufficient to both outline the relevant facts and circumstances that necessitated each deletion and to explain why such deletion(s) should not result in disqualification; and
- B. A draft of Virginia Housing's form Right of First Refusal, which the Applicant commits to properly execute and record as a condition of any reservation or allocation of low-income housing tax credits made with regard to the Development named above.

Any material misrepresentations or omissions made on this form are grounds for rejection of this Application, forfeiture of any credits awarded with connection with this Application, and prohibition against the submission of future applications.

Signed by:

 329EDDDCD83C4A2...
 Signature _____

Allison Bogdanovic

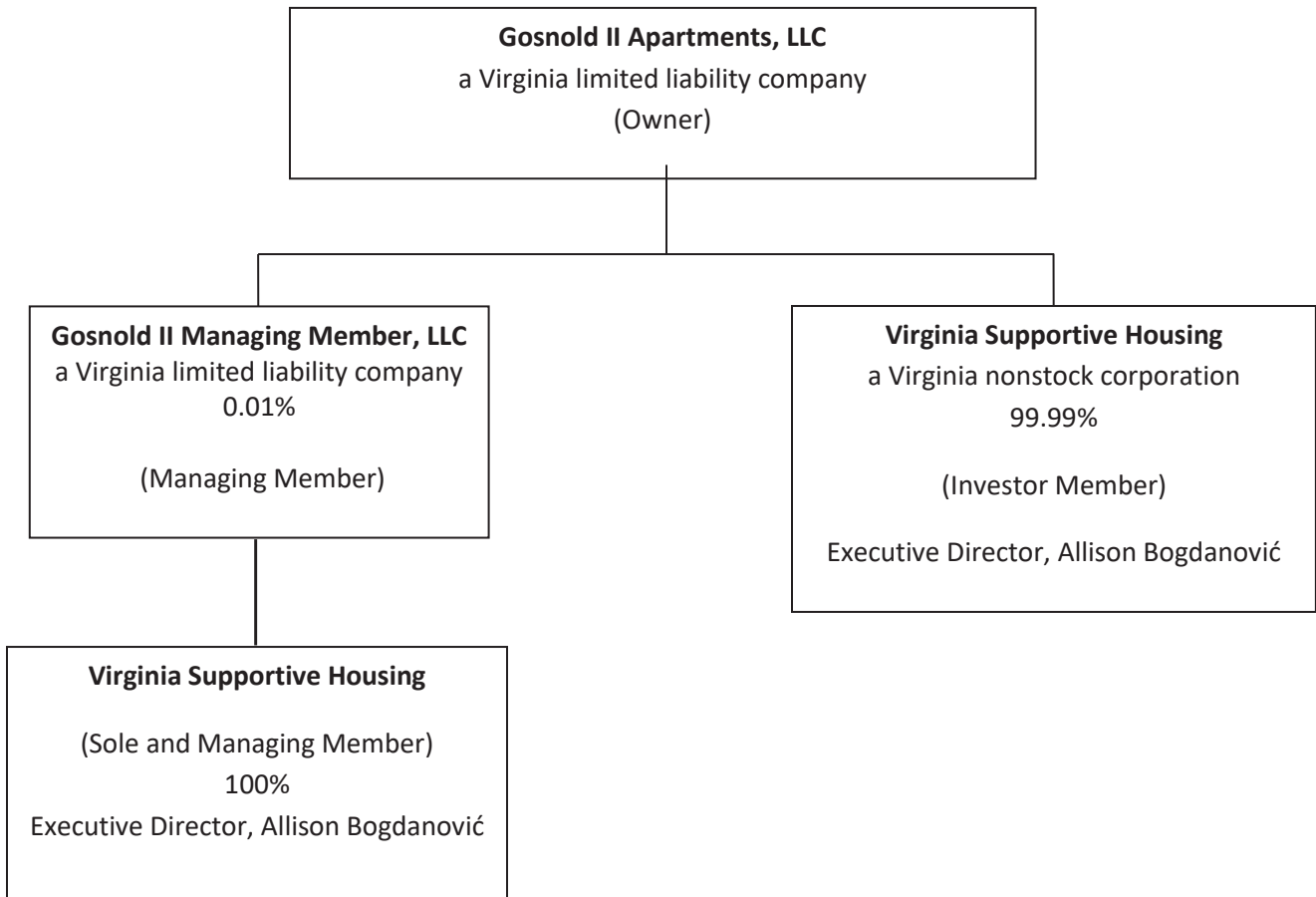
Printed Name

3/5/2026

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

Gosnold II Apartments

Gosnold II Apartments, LLC (Owner) is comprised of Gosnold II Managing Member, LLC and Virginia Supportive Housing. Gosnold II Managing Member, LLC is the Managing Member and is responsible for the day-to-day management of the company. Virginia Supportive Housing (VSH) owns 100% of the membership interests of Gosnold II Managing Member, LLC 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.



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. Items 5f and 5g require 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 to 10	0.00
d. Location in a revitalization area based on Qualified Census Tract	Y	0 or 10	10.00
or e. Location in a revitalization area with resolution or by locality	N	0 or 15	0.00
or f. Location in a Opportunity Zone	N	0 or 15	0.00
g. Location in a Medium to High level Economic Development Jurisdiction	Y	0 or 5	5.00
h. Location on land owned by Tribal Nation	N	0 or 15	0.00
Total:			15.00

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	30.73%	Up to 60	60.00
d. Tax abatement on increase of property's value	Y	0 or 5	5.00
e. New project based rental subsidy) in Northern Virginia or New Construction pool	N	up to 40	0.00
f. Census tract with <12% poverty rate	0%	0, 20, 25 or 30	0.00
g. Development provided priority letter from Rural Development	N	0 or 15	0.00
h. Dev. located in area with increasing rent burdened population	Y	Up to 20	9.24
Total:			74.24

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			73.82
b. <removed for 2026>			0.00
c. HUD 504 accessibility for 10% of units	Y	0 or 20	20.00
d. Proximity to public transportation	Y10	0, 10 or 20	10.00
e. Development will be Green Certified	Y	0 or 10	10.00
f. Units constructed to meet Virginia Housing's Universal Design standards	100%	Up to 15	15.00
g. Developments with less than 100 low income units	Y	up to 20	8.00
h. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
i. Meets Target Population Development Characteristics	N	0 or 10	0.00
Total:			136.82

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$106,500	\$78,100

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)	15.00%	Up to 10	10.00
e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI	50.00%	Up to 50	50.00
f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	50.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	50.00%	Up to 50	0.00
Total:			60.00

Must opt to received points for deeper targets on Unit Details Tab.

5. SPONSOR CHARACTERISTICS:

a. <QAP change - removed for 2026 cycle>	N		0.00
b. Veteran Small Business Principal owner 25% or greater	N	0 or 30	0.00
c. Developer experience - uncorrected life threatening hazard	N	0 or -50	0.00
d. Developer experience - noncompliance	N	0 or -15	0.00
e. Developer experience - did not build as represented (per occurrence)	0	0 or -2x	0.00
f. Developer experience - failure to provide minimum building requirements (per occurrence)	0	0 or -50 per item	0.00
g. Developer experience - termination of credits by Virginia Housing	N	0 or -10	0.00
h. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
i. Developer experience - more than 2 requests for Final Inspection	0	0 or -5 per item	0.00
j. Management company rated unsatisfactory	N	0 or -25	0.00
Total:			0.00

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 100	100.00
Total:			100.00

7. BONUS POINTS:

a. Extended Use Restriction beyond 15 year compliance period	35	Years	40 or 70	70.00
or b. Nonprofit or LHA purchase option/ ROFR	Y		0 or 60	0.00
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		10 or 15	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N		0 or 10	0.00
f. Team member with Veteran Owned Small Business Certification	N		up to 10	0.00
g. Commitment to electronic payment of fees	Y		0 or 5	5.00
h. Zero Ready or Passive House certification from prior allocation	N		0 or 20	0.00
Total:			75.00	

300 Point Threshold - all 9% Tax Credits
 200 Point Threshold - Tax Exempt Bonds

TOTAL SCORE: **461.06**

	TYPE	New	Adaptive Reuse	Acq.	Total Pts
		Constr.		Rehab	
% of Units		44%	0%	54%	Awarded
Enhancements:	Max Points				
a. Community Room	5	One selection per deal			5.00
b. Exterior walls constructed with brick and other low maintenance materials	40	One selection per deal			20.00
c. LED Kitchen Light Fixtures	2	0.89	0.00	1.09	1.98
d. Cooking surfaces equipped with fire suppression features	2	One selection per deal			2.00
e. Bath Fan - Delayed timer or continuous exhaust	3	One selection per deal			3.00
f. Baths equipped with humidistat	3				
g. Watersense labeled faucets, toilets and showerheads (without Green Certification)	3	1.33	0.00	1.63	2.96
h. Rehab only: New infrastructure for high speed internet/broadband	5	Only REHAB units			5.00
i. Each unit provided free individual high speed internet access	15	One selection per deal			15.00
j. USB in kitchen, living room and all bedrooms	1	0.44	0.00	0.54	0.98
k. Rehab only: dedicated space to accept permanent dehumidification system	2	Only REHAB units			0.00
l. Provides Permanently installed dehumidification system	5	2.22	0.00	2.72	4.94
m. All interior doors within units are solid core	3	1.33	0.00	1.63	2.96
n. Installation of Renewable Energy Electric system	10	One selection per deal			10.00
o. New Construction: Balcony or patio	4	Only New Construction units			0.00
All elderly units have:					
p. Front-control ranges	1	0.00	0.00	0.00	0.00
q. Independent/suppl. heat source	1	0.00	0.00	0.00	0.00
r. Two eye viewers	1	0.00	0.00	0.00	0.00
s. Shelf or Ledge at entrance within interior hallway	2	0.00	0.00	0.00	0.00
Total Enhancements Pts.					73.82

X.

Development Summary

Summary Information

2026 Low-Income Housing Tax Credit Mixed Construction Application For Reservation

Deal Name: Gosnold II Apartments

Cycle Type: 9% Tax Credits	Requested Credit Amount: \$1,375,729
Allocation Type: Mixed Construction	Jurisdiction: Norfolk City
Total Units: 80	Population Target: Homeless
Total LI Units: 80	
Project Gross Sq Ft: 50,350.52	Owner Contact: Allison Bogdanovic
Green Certified? TRUE	

Total Score 461.06

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$16,328,266	\$204,103	\$324	\$12,500
Grants	\$0	\$0		
Subsidized Funding	\$8,965,075	\$112,063		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$14,675,719	\$183,446	\$291	50.30%
General Req/Overhead/Profit	\$1,922,069	\$24,026	\$38	6.59%
Other Contract Costs	\$49,662	\$621	\$1	0.17%
Owner Costs	\$6,987,766	\$87,347	\$139	23.95%
Acquisition	\$3,354,800	\$41,935	\$67	11.50%
Developer Fee	\$2,186,572	\$27,332	\$43	7.49%
Total Uses	\$29,176,588	\$364,707		

Total Development Costs	
Total Improvements	\$23,635,216
Land Acquisition	\$3,354,800
Developer Fee	\$2,186,572
Total Development Costs	\$29,176,588

Income		
Gross Potential Income - LI Units	\$1,228,440	
Gross Potential Income - Mkt Units	\$0	
Subtotal	\$1,228,440	
Less Vacancy %	7.00%	\$85,991
Effective Gross Income	\$1,142,449	

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$291,075	\$3,638
Utilities	\$118,000	\$1,475
Operating & Maintenance	\$180,450	\$2,256
Taxes & Insurance	\$268,128	\$3,352
Total Operating Expenses	\$857,653	\$10,721
Replacement Reserves	\$24,000	\$300
Total Expenses	\$881,653	\$11,021

Cash Flow	
EGI	\$1,142,449
Total Expenses	\$881,653
Net Income	\$260,796
Debt Service	\$12,500
Debt Coverage Ratio (YR1):	20.86

Unit Breakdown	
# of Eff	80
# of 1BR	0
# of 2BR	0
# of 3BR	0
# of 4+ BR	0
Total Units	80

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	12	12
50% AMI	28	28
60% AMI	40	40
>60% AMI	0	0
Market	0	0

Income Averaging? FALSE

Extended Use Restriction? 50

Y. Efficient Use of Resources

If the Combined Max Allowable Credits 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 100 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 100. In this example, $(40\%/60\%) \times 100$ or 66.67 points.

Tax Exempt Deals are granted a starting point value greater than zero to allow for the nature of these deals.

Combined Max	\$2,735,035	
Credit Requested	\$1,375,729	
% of Savings	49.70%	82.83
Sliding Scale Points	100	

Tab A:

Partnership or Operating Agreement, including
Org Chart with percentages of ownership interest

**OPERATING AGREEMENT
OF
GOSNOLD II APARTMENTS, LLC**

This Operating Agreement (“Agreement”) of **GOSNOLD II APARTMENTS, LLC**, a Virginia limited liability company (the “Company”), is made and entered into as of February 25, 2022, by and between Gosnold II Managing Member, LLC, a Virginia limited liability company, 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 25, 2022 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 **GOSNOLD II 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, Virginia 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 Manager.*

1. Designation and Authority of the Tax Matters Manager.

a. Generally. The Manager is designated as the Company’s “Tax Matters Manager” (as such term is used herein). The Company and the Members acknowledge and agree that Carter Dages is authorized by the Tax Matters Manager to act on its behalf with respect to its authority as the Tax Matters Manager of the Company pursuant to this Agreement; provided that the Tax Matters Manager may revoke such authorization at any time and/or authorize other representatives to act on its behalf in its capacity as Tax Matters Manager. The Tax Matters Manager is authorized to represent the Company in connection with all examinations of the Company’s affairs by tax authorities or any administrative or judicial tax proceedings with respect to the Company, and to expend Company funds for professional services and costs associated therewith, and the Company will reimburse the Tax Matters Manager for any such costs or other costs associated with carrying out its role as Tax Matters Manager that it incurs directly. The Tax Matters Manager will have sole discretion to determine whether the

Company (either on its own behalf or on behalf of the Members) will contest or continue to contest any tax deficiencies assessed or proposed to be assessed by any tax authority with respect to the Company and whether the Company will make any elections with respect to any tax assessment or proceeding. The Tax Matters Manager shall keep the Members reasonably informed of any material tax proceedings and any material action to be taken by the Company or the Tax Matters Manager on behalf of the Company with respect to any tax proceeding for the Company.

b. New Partnership Audit Procedures. For each taxable year of the Company beginning after December 31, 2017, the Company shall designate, pursuant to Treasury Regulations Section 301.6223-1 (and any successor Treasury Regulations and other applicable guidance) on its United States federal income tax return for each such taxable year of the Company, the Tax Matters Manager as the “partnership representative” for the Company and Carter Dages or such other individual selected by the Tax Matters Manager as the “designated individual” for the Tax Matters Manager and the Company for purposes of the laws and procedures set forth in Subchapter C of Chapter 63 of Subtitle F of the Internal Revenue Code of 1986, as amended (the “Code”), as modified by Section 1101 of the Bipartisan Budget Act of 2015, Pub. L. No. 114-74, and including any successor statutes thereto or Treasury Regulations promulgated or official guidance issued thereunder (the “New Partnership Audit Procedures”) and shall make such corresponding designations under any corresponding provisions of applicable foreign, state, or local tax law. The Tax Matters Manager, in its capacity as the “partnership representative,” shall (i) determine all matters with respect to any examination of the Company by any taxing authority (including, without limitation, the allocation of any resulting taxes, penalties and interest among the Members and whether to make an election under Section 6226 of the Code (and any similar provision under applicable foreign, state, or local tax law) with respect to any audit or other examination of the Company) and, (ii) notwithstanding anything herein to the contrary, make such elections as it deems appropriate pursuant to the provisions of the New Partnership Audit Procedures.

2. Obligations of Members.

a. Generally. Each Member and former Member agrees to cooperate, and to cause its direct and indirect owners to cooperate with the Tax Matters Manager and to do or refrain from doing any or all things reasonably requested by the Tax Matters Manager with respect to the conduct of any tax proceedings, in each case regardless whether then a Member or after ceasing to be a Member. Any deficiency for taxes imposed on any Member or former Member or its direct or indirect owners (including penalties, additions to tax or interest imposed with respect to such taxes) will be paid by such Member or former Member or its direct or indirect owners as applicable, and if required to be paid (and actually paid) by the Company, such Member or former Member shall indemnify the Company for such amounts within thirty (30) days of such payment by the Company, in each case regardless of whether then a Member or after ceasing to be a Member.

b. New Partnership Audit Procedures. At the request of the Tax Matters Manager, in connection with an adjustment of any item of income, gain, loss, deduction, or credit of the Company or any subsidiary entity in which the Company has an interest, directly or indirectly, each Member and former Member shall, and shall cause its direct and indirect owners, as applicable, to, promptly file one or more amended tax returns in the manner contemplated by Section 6225(c) of the Code (and any Treasury Regulations or official guidance relating thereto, and, if applicable, any corresponding or similar provisions under state or local law) and pay any tax due with respect to such returns. If the Tax Matters Manager makes an election for the Company pursuant to Section 6226 of the Code with respect to an imputed underpayment, each Member and former Member shall, and shall cause its direct and indirect owners, as applicable, to, comply with the requirements under such section (and any

Treasury Regulations or official guidance relating thereto). At the request of the Tax Matters Manager, each Member and former Member shall, and shall cause its direct and indirect owners, as applicable, to, provide the Tax Matters Manager and the Company with any information available to such Member or former Member (or its direct or indirect owners or representatives) and with such representations, certificates, or forms relating to such Member or former Member (or its direct or indirect owners or representatives) and any other documentation, in each case, that the Tax Matters Manager determines, in its reasonable discretion, are necessary to modify an imputed underpayment under Section 6225(c) of the Code or the Treasury Regulations or other official guidance thereunder. In the event that any imputed underpayment is paid or payable by the Company under Section 6225(a)(1) of the Code, each Member and former Member shall indemnify the Company in an amount equal to such Member's or former Member's share (as determined by the Tax Matters Manager with the advice of the Company's tax counsel) of the imputed underpayment and any associated interest and penalties) paid or payable by the Company; provided, however, that the Tax Matters Manager may determine, in its discretion, to allocate the burden of such amount to such Member without requiring payment by such Member to the Company.

c. Survival of Obligations. Each Member's obligations to comply with the requirements of this Article I.F shall survive the Member's transfer of all or any portion of its interest in the Company, otherwise ceasing to be a Member of the Company and/or the termination, dissolution, liquidation and winding up of the Company, to the extent applicable.

3. Exculpation and Indemnification of Tax Matters Managers, Partnership Representatives and Designated Individual. Any Tax Matters Manager or any person acting as a "partnership representative" or "designated individual" pursuant to this Article I.F shall, when acting in such capacity (a "Tax Matters Person"), be deemed to be a manager for purposes of the Act. The liability of any such Tax Matters Person shall be eliminated to the maximum extent the liability of a manager may be eliminated under Section 13.1-1025.B of the Act. In addition, any Tax Matters Person shall be entitled to indemnification under Article V.

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 disposee 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 Section 705(a)(2)(B) of the Code or treated as Section 705(a)(2)(B) of the Code 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 Section 704(b) of the Code 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 Section 706 of the Code 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 Code, 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 Gosnold II Managing Member, LLC.

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, supplies, 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 Section 707(c) of the Code.

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 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.

N. *Right of First Refusal.* The Company acknowledges that it has entered into that certain Right of First Refusal Agreement by and between the Company, as seller, and the Investor Member, as buyer. Subject to the terms and conditions stated therein, the Right of First Refusal Agreement shall be recorded in the Clerk's Office for the City of Norfolk, Virginia, upon acquisition of the Project (as defined in the Right of First Refusal Agreement).

[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:

GOSNOLD II MANAGING MEMBER, LLC,
a Virginia limited liability company

By: Virginia Supportive Housing,
a Virginia nonprofit corporation,
its Sole and Managing Member

Date: February 25, 2022

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

VIRGINIA SUPPORTIVE HOUSING,
a Virginia nonprofit corporation

Date: February 25, 2022

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

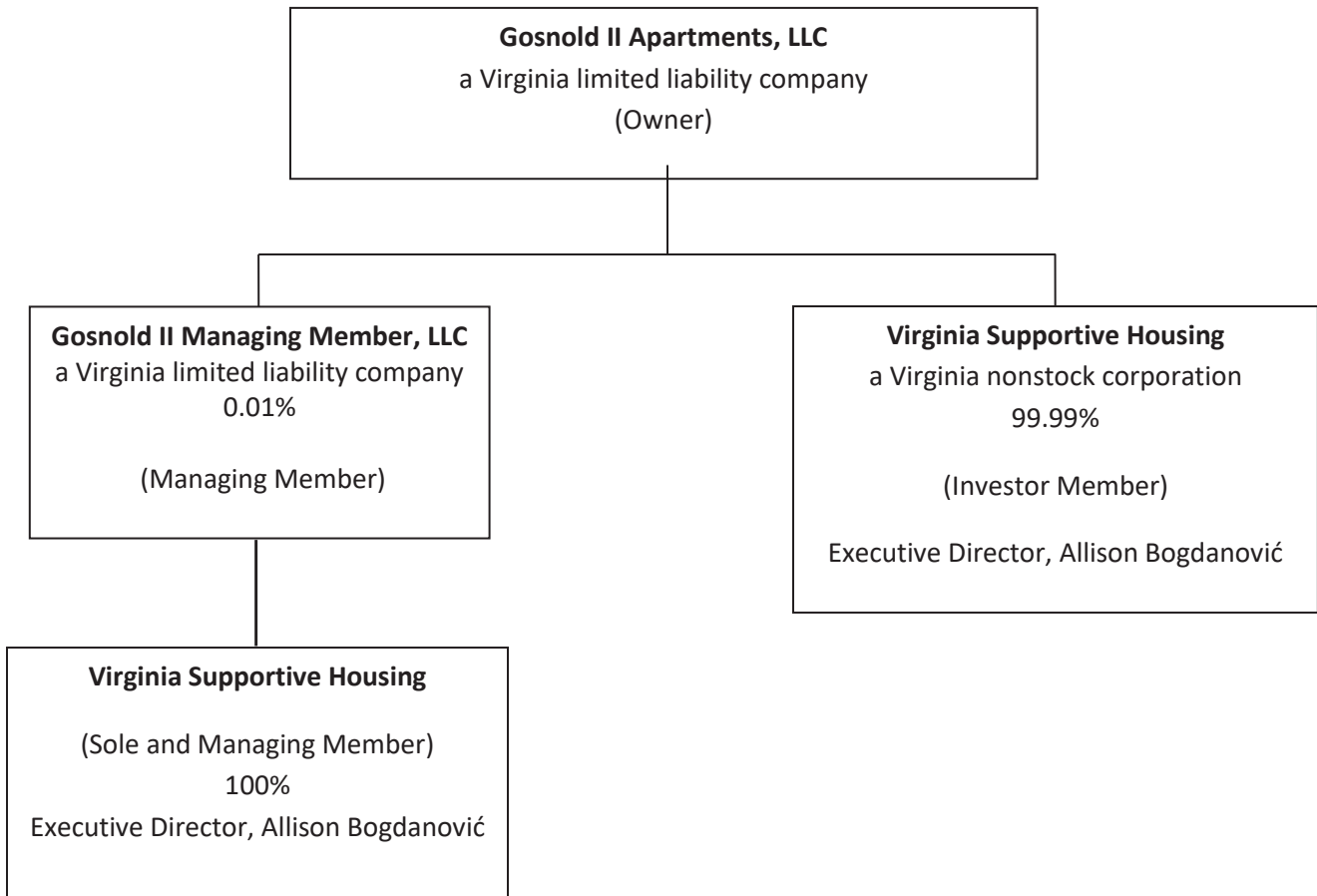
Schedule A

**Capital Contributions and
Membership Interests**

Name and Address	Capital Contribution	Membership Interest
Gosnold II Managing Member, LLC 8002 Discovery Drive, Suite 201 Richmond, Virginia, 23229	\$10.00	0.01%
Virginia Supportive Housing 8002 Discovery Drive, Suite 201 Richmond, Virginia, 23229	\$100.00	99.99%

Gosnold II Apartments

Gosnold II Apartments, LLC (Owner) is comprised of Gosnold II Managing Member, LLC and Virginia Supportive Housing. Gosnold II Managing Member, LLC is the Managing Member and is responsible for the day-to-day management of the company. Virginia Supportive Housing (VSH) owns 100% of the membership interests of Gosnold II Managing Member, LLC 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.



Tab 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 Gosnold II 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 25, 2022; and

That the Limited Liability Company is in existence in the Commonwealth of Virginia as of the date set forth below.

That the limited liability company is current in the payment of all registration fees assessed against it by the Commission pursuant to the Virginia Limited Liability Company Act as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

March 5, 2026

A handwritten signature in cursive script, appearing to read "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF GOOD STANDING

I Certify the Following from the Records of the Commission:

That SupportWorks 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 5, 2026

A handwritten signature in black ink, appearing to read "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That Gosnold II Managing Member, 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 25, 2022; and

That the Limited Liability Company is in existence in the Commonwealth of Virginia as of the date set forth below.

That the limited liability company is current in the payment of all registration fees assessed against it by the Commission pursuant to the Virginia Limited Liability Company Act as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

March 5, 2026

A handwritten signature in cursive script, appearing to read "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

Tab C:

Syndicator's or Investor's Letter of Intent
(MANDATORY)



Vibrant Communities Drive Change

Gosnold II Apartments, LLC
c/o SupportWorks Housing
1900 Cool Lane
Richmond, VA 23223

RE: Gosnold II Apartments
Investor Letter of Intent

Dear Ms. Bogdanovic,

VCDC, through one of its subsidiary entities, is interested in providing an investment for the Low-Income Housing Tax Credits to be generated by the development of Gosnold II Apartments. Subject to the usual and customary due diligence and investor committee approval, and fund formation, VCDC is interested to purchase the Investor Member interests Gosnold II Apartments, LLC on behalf of an equity fund created for the purpose of promoting the development of affordable housing.

Based on our analysis of the information provided to date, the Investor Member is interested in making a total equity investment of \$11,830,083 to Gosnold II Apartments, LLC. This investment is based on the Investor Member's 99.99% share of the projected annual Low Income Housing Tax Credit of \$1,375,729,000 at \$.86 per credit dollar, and other tax benefits.

Please feel free to contact me if you have any questions. We look forward to working with you again.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Bleile".

Steve Bleile
Vice President of Community Investments

115 S 15th Street
Suite 501
Richmond VA 23219
804.343.1200
vibrantcommunities.us



Tab E:

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

CONTRACT OF PURCHASE

THIS CONTRACT OF PURCHASE (this “Agreement”), dated as of March 7, 2022, by and between GOSNOLD APARTMENTS, LLC, a Virginia limited liability company (“Seller”), and GOSNOLD II APARTMENTS, LLC, a Virginia limited liability company (“Buyer”), recites and provides as follows:

Recitals.

A. Seller is the fee simple owner of a certain parcel or parcels of land located in the City of Norfolk, Virginia, commonly known as 2425 Gosnold Ave, 2408 Gosnold Ave, and 2400 Gosnold Ave, Norfolk, Virginia and comprised of approximately 1.241 acres, identified as the City of Norfolk GPINs 1428840815, 1428841894, and 1428841764 and more particularly described on Exhibit A attached hereto and made a part hereof (the “Land”), together with all improvements thereon and all appurtenances thereto (collectively, the “Property”).

B. Seller has agreed to sell, and Buyer has agreed to purchase, the Property, all on the terms and conditions hereinafter set forth.

NOW, therefore, for and in consideration of the mutual promises, covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Sale. This Agreement constitutes a binding contract for the sale and purchase of the Property on the terms and conditions hereinafter provided. Seller shall be obligated to sell and convey, and Buyer shall be obligated to purchase, the Property in accordance with the terms and conditions of this Agreement. The purchase price to be paid by Buyer for the Property at Settlement (the “Price”) shall be equal to Three Million Three Hundred Fifty-Four Thousand Eight Hundred and 00/100 Dollars (\$3,354,800.00).

2. Settlement. Unless this Agreement is sooner terminated as provided in this Agreement, the closing of the sale of the Property shall take place at such place as the parties hereto may agree, on a date for closing which shall be within not less than 15 days, nor more than 60 days, after the date of a written notice from Buyer to Seller (the “Buyer Notice”), requesting that the closing occur (the “Settlement”). In the event the Settlement has not occurred by April 30, 2024, this Agreement shall be null and void. In any event, without the consent of both parties, Settlement shall not occur before September 1, 2022.

3. Conditions to Buyer’s Performance. Buyer shall be obligated to purchase the Property from Seller only upon the full satisfaction of the following conditions, any of which may be waived by Buyer, and in the event any of such conditions are not satisfied or waived by the date of Settlement, or a later date approved by the mutual consent of Seller and Buyer, then this Agreement shall be terminated.

- (a) As of the date of Settlement, there shall be no encumbrances or special assessments either pending or confirmed affecting the Property, except as specifically accepted and approved by Buyer in writing (the “Permitted Exceptions”). All such liens or assessments, except for the Permitted Exceptions, shall be paid and released by Seller on or before the date of Settlement.
- (b) The Property shall be in compliance with all applicable environmental laws and regulations.

- (c) The current zoning of the Property shall permit Buyer's intended use (the "Intended Purpose").
- (d) There shall be no litigation, proceeding or investigation pending, or to the knowledge of Owner, Buyer or Seller threatened, which might prevent or adversely affect Buyer's ability to operate the Property for the Intended Purpose or which questions the validity of any material actions taken or to be taken by Seller or Buyer hereunder.

4. Settlement Documents and Costs. At Settlement, Seller shall pay for its own legal fees and the grantor's tax in connection with the recordation of the Deed (as hereinafter defined). Purchaser shall pay for any survey, title examination, and title insurance ordered by Purchaser or for Purchaser's benefit, for its own legal fees and for all recording taxes and fees (other than the grantor's tax) in connection with the recordation of the Deed.

5. Prorations. All real and personal property ad valorem taxes and installments of special assessments, if any, for the calendar years prior to the current calendar year will be paid by Seller. At Buyer's election, all real and personal property ad valorem taxes and special assessments, if any, whether payable in installments or not, for the current calendar year will be prorated to the date of Settlement on a calendar year basis, based on the latest available tax rate and assessed valuation, to be paid by Seller through the date of Settlement and by Buyer from the date of Settlement through the end of the calendar year. If Buyer elects not to prorate real and personal property ad valorem taxes and special assessments at Settlement, then Seller shall pay such real and personal property ad valorem taxes and special assessments when due for such calendar year. Seller shall provide Buyer written notice with evidence of payment and Buyer shall reimburse Seller within 30 days of such written notice its prorated share of such taxes and assessments from the date of Settlement. Seller shall be responsible for payment of any roll-back taxes.

6. Title. Seller agrees to convey to Buyer on the date of Settlement, good and marketable fee simple title to the Property and, effective on the recordation of the deed by Seller to Buyer (the "Deed"), beneficial ownership and the risk of loss of the Property will pass from Seller to Buyer. The Property shall be conveyed to Buyer free and clear of any liens and/or encumbrances, except the Permitted Exceptions.

7. Representations. Seller represents that it is duly organized and validly existing under the laws of the Commonwealth of Virginia with full power and authority to enter into this Agreement and to sell the Property in accordance with the terms and conditions of this Agreement. Buyer represents that it is duly organized and validly existing under the laws of the Commonwealth of Virginia with full power and authority to enter into this Agreement and to purchase the Property in accordance with the terms and conditions of this Agreement.

8. Risk of Loss. All risk of loss as a result of an exercise of the power of eminent domain, or by reason of casualty, or for personal liability as to the Property, shall remain on Seller until Settlement.

9. Brokers. Each of Seller and Buyer represents to the other that there are no amounts due any realtor, broker, agent or finder in connection with this Agreement, and covenants that it will hold the other free and harmless from any and all liabilities and expenses (including, without limitation, reasonable attorneys' fees) in connection with any claim or claims of any realtor, broker, agent or finder arising out of this Agreement. The provisions of this paragraph shall survive Settlement and not merge into the Deed.

10. Defaults.

- (a) Buyer's Default. If Buyer fails to perform or settle as required by this Agreement, or makes under this Agreement any material false representations or warranties, Seller shall have the right, exercisable at its option upon each such failure or misrepresentation, to give notice thereof to Buyer and Buyer shall have a period of 10 days in which to cure the failure described in such notice. If Buyer does not cure such failure within such period, this Agreement shall forthwith terminate and the parties hereto shall have no further rights and obligations under this Agreement, except as specifically provided.
- (b) Seller's Default. If, prior to Settlement, Seller intentionally fails to perform or settle as required by this Agreement or intentionally makes under this Agreement any material false representations or warranties, Buyer shall have the right, exercisable at Buyer's option upon each such failure or misrepresentation, to give notice thereof to Seller, and Seller shall then have a period of 10 days in which to cure the failure described in such notice. If Seller does not cure such failure within such period, Buyer shall have the right, at Buyer's option to exercise any and all remedies available at law or in equity with respect to such misrepresentation or failure, including specific performance, provided, however, that any monetary remedy for Buyer shall be limited to a recovery against the Property and shall not include recourse against Seller or the partners of Seller.

11. Notices. Unless otherwise expressly provided in this Agreement, all notices shall be in writing and shall be deemed duly given on the date personally delivered, one day after deposit with an express delivery service, or 3 days after sent by registered or certified mail, return receipt requested, to the following addresses, or to such other address which a party elects to designate in writing to the other addressees listed below:

If to Seller:

Gosnold Apartments, LLC
8002 Discovery Drive, Suite 201
Richmond, Virginia 23229

If to Buyer:

Gosnold II Apartments, LLC
8002 Discovery Drive, Suite 201
Richmond, Virginia 23229

With a copy to:

Lauren D. Nowlin, Esq.
Williams Mullen
200 South 10th Street
Richmond, VA 23219

12. Assignment. Seller shall have the free right to assign its rights under this Agreement, and Buyer shall have the free right to assign its rights under this Agreement to any entity with Seller's prior written consent, which consent shall not be unreasonably withheld.

13. Miscellaneous.

- (a) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns, and shall be governed by the laws of the Commonwealth of Virginia.
- (b) This Agreement contains the entire agreement between the parties with respect to the Property and is intended by the parties to be an integration of any prior agreements by the parties regarding the Property. This Agreement cannot be amended except by written instrument executed by all parties hereto.
- (c) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.
- (d) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall together be deemed one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

WITNESS the following duly authorized signatures as of the date first above written.

SELLER:

GOSNOLD APARTMENTS, LLC,
a Virginia limited liability company

By: Allison Bogdanovic (SEAL)
Name: Allison Bogdanovic
Title: Executive Director
of Norfolk SRO, Inc., its Managing Member

BUYER:

GOSNOLD II APARTMENTS, LLC,
a Virginia limited liability company

By: GOSNOLD II MANAGING MEMBER, LLC, a
Virginia limited liability company, its Managing
Member

By: VIRGINIA SUPPORTIVE HOUSING, a Virginia
nonstock corporation, its Managing Member

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

**EXHIBIT A
LEGAL DESCRIPTION**

PARCEL ONE – LOTS 10-17; LOT 19 AND LOTS 20-25 IN BLOCK 24 – OLD DOMINION PLACE:

All those certain lots, pieces or parcels of land lying and being in the City of Norfolk, State of Virginia, and known, numbered and designated as Lots 10 through 17, Lot 19 and Lots 20 through 25 all in Block 24, on the Plat of Old Dominion Place, which plat is duly recorded in the Circuit Court of the City of Chesapeake (formerly Norfolk County), Virginia, in Map Book 5, at pages 2 and 3. Reference to which is hereby made for a more particular description of said property.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from W. E. Kyle, Substitute Trustee, dated January 22, 1946, recorded in Deed Book 453, page 603.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from T. C. Clarke and Gladys B. Clarke, his wife, dated January 2, 1941, recorded in Deed Book 366A, page 213.

(As to Lot 19:) IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING CO., INC., a Virginia corporation by deed from American Sheet Metal Corporation, dated March 30, 1962, recorded in Deed Book 899, page 434.

PARCEL TWO LOTS A AND C IN BLOCK 27, OLD DOMINION PLACE

All that certain lot, piece or parcel of land, together with the appurtenances thereunto belonging, lying, situate and being in the City of Norfolk, Virginia, and being known, numbered and designated as Lots A and C, as shown on that certain plat entitled, "RESUBDIVISION OF LOTS 1-6 AND 20-25 BLOCK 27, OLD DOMINION PLACE, NORFOLK, VIRGINIA", which plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, in Map Book 53, at page 48, reference to said plat being made for a more particular description of the said property.

IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING COMPANY, INC. by deed from Joel C. McPhaul and Eleanor J. McPhaul, dated May 27, 1970, recorded in Deed Book 1165, page 174.

**FIRST AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this “First Amendment”) is made and entered into as of this 11th day of March, 2024, by and between **GOSNOLD APARTMENTS, LLC**, a Virginia limited liability company (“Seller”), and **GOSNOLD II APARTMENTS, LLC**, a Virginia limited liability company (“Buyer”).

RECITALS

A. Buyer and Seller entered into that certain Purchase and Sale Agreement dated as of March 7, 2022 (the “Agreement”), with respect to the sale of certain real property and improvements thereon located in the City of Norfolk, Virginia (the “Property”), as more particularly described therein.

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. Settlement. Section 2 of the Agreement is hereby deleted and replaced in its entirety with the following:

2. Settlement. Unless this Agreement is sooner terminated as provided in this Agreement, the closing of the sale of the Property shall take place at such place as the parties hereto may agree, on a date for closing which shall be within not less than 15 days, nor more than 60 days, after the date of a written notice from Buyer to Seller (the “Buyer Notice”), requesting that the closing occur (the “Settlement”). In the event the Settlement has not occurred by December 31, 2025, this Agreement shall be null and void. In any event, without the consent of both parties, Settlement shall not occur before September 1, 2024.

2. Notices. Section 11 of the Agreement is hereby deleted and replaced in its entirety with the following:

11. Notices. Unless otherwise expressly provided in this Agreement, all notices shall be in writing and shall be deemed duly given on the date personally delivered, one day after deposit with an express delivery service, or 3 days after sent by registered or certified mail, return receipt requested, to the following addresses, or to such other address which a party elects to designate in writing to the other addressees listed below:

If to Seller:

Gosnold Apartments, LLC
1900 Cool Lane
Richmond, Virginia 23223

If to Buyer:

Gosnold II Apartments, LLC
1900 Cool Lane
Richmond, Virginia 23223

With a copy to:

Lauren D. Nowlin, Esq.
Williams Mullen
200 South 10th Street, Suite 1600
Richmond, VA 23219

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 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.

4. 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.

5. 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.

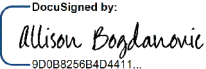
[SIGNATURE PAGE FOLLOWS]

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

SELLER:

GOSNOLD APARTMENTS, LLC,
a Virginia limited liability company

By: Norfolk SRO, Inc.,
a Virginia corporation,
its Managing Member

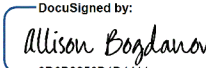
By:  _____ (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

BUYER:

GOSNOLD II APARTMENTS, LLC,
a Virginia limited liability company

By: Gosnold II Managing Member, LLC,
a Virginia limited liability company,
its Managing Member

By: Virginia Supportive Housing,
a Virginia nonstock corporation,
its Managing Member

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

**SECOND AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT (this “Second Amendment”) is made and entered into as of this 19th day of December 2025, by and between **GOSNOLD APARTMENTS, LLC**, a Virginia limited liability company (“Seller”), and **GOSNOLD II APARTMENTS, LLC**, a Virginia limited liability company (“Buyer”).

RECITALS

A. Buyer and Seller entered into that certain Purchase and Sale Agreement dated as of March 7, 2022 and First Amendment to Purchase and Sale Agreement dated as of March 11, 2024 (collectively, the “Agreement”), with respect to the sale of certain real property and improvements thereon located in the City of Norfolk, Virginia (the “Property”), as more particularly described therein.

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. Settlement. Section 2 of the Agreement is hereby deleted and replaced in its entirety with the following:

2. Settlement. Unless this Agreement is sooner terminated as provided in this Agreement, the closing of the sale of the Property shall take place at such place as the parties hereto may agree, on a date for closing which shall be within not less than 15 days, nor more than 60 days, after the date of a written notice from Buyer to Seller (the “Buyer Notice”), requesting that the closing occur (the “Settlement”). In the event the Settlement has not occurred by December 31, 2026, this Agreement shall be null and void. In any event, without the consent of both parties, Settlement shall not occur before September 1, 2024.

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.

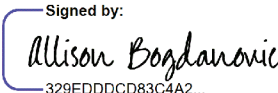
[SIGNATURE PAGE FOLLOWS]

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

SELLER:

GOSNOLD APARTMENTS, LLC,
a Virginia limited liability company

By: Norfolk SRO, Inc.,
a Virginia corporation,
its Managing Member

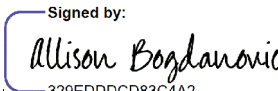
By:  _____ (SEAL)
Signed by:
329EDDDCD83C4A2...
Name: Allison Bogdanovic
Title: Executive Director

BUYER:

GOSNOLD II APARTMENTS, LLC,
a Virginia limited liability company

By: Gosnold II Managing Member, LLC,
a Virginia limited liability company,
its Managing Member

By: SupportWorks Housing,
a Virginia nonstock corporation,
its Managing Member

By:  _____ (SEAL)
Signed by:
329EDDDCD83C4A2...
Name: Allison Bogdanovic
Title: Executive Director

City of Norfolk - NORFOLK AIR

Tax Account: 00002604
 2425 GOSNOLD AVENUE

Total Value
 \$3,264,300

REAL ESTATE

PROPERTY DETAIL

Account Number	00002604
GPIN	1428840815
Parent Account	-
Neighborhood	141290
Owner Name	Gosnold Apartments Llc
Property Address	2425 GOSNOLD AVENUE
Property Use	Apartment 49+ Low Rise
Building(s)	C02
Plate	0551
House Plate Number	34
Mailing Address	Po Box 8585 Richmond VA 23226-0585
Legal Description	Lot X, Blk 24
Parcel Approximate Area (Sq Ft)	41,895 sqft
Parcel Approximate Acreage	0.9618 acres

APARTMENT

BUILDING - C02 - APARMENT

Year Built	2006	Construction Quality	Average
Number of Units	60	HVAC	Complete HVAC
Framing	-	Framing Class	Fire Resistant
Sprinkler	No Sprinkler System	Paving	Yes
Paving (Sq Ft)	4,412 sqft		
C02			

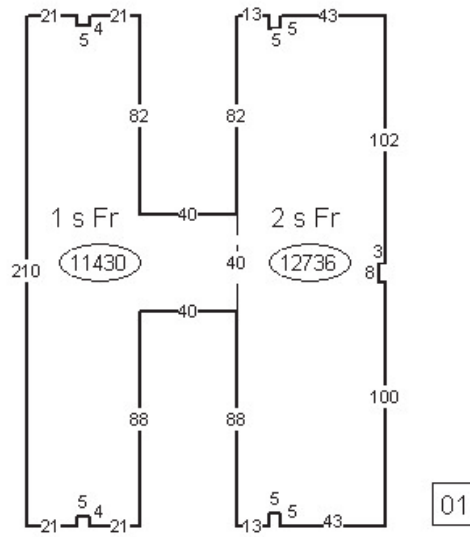
SALES / VALUE HISTORY

SALES HISTORY

OWNER	TRANSFER DATE	SALE PRICE	TYPE	DEED REFERENCE
-	-	-	-	-

ASSESSMENT HISTORY

EFFECTIVE DATE	LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE
07/01/2025	\$472,500	\$2,791,800	\$3,264,300
07/01/2024	\$472,500	\$2,904,900	\$3,377,400
07/01/2023	\$472,500	\$2,684,500	\$3,157,000
07/01/2022	\$472,500	\$2,811,500	\$3,284,000
07/01/2021	\$472,500	\$2,665,200	\$3,137,700



60 UNITS

City of Norfolk - NORFOLK AIR

Tax Account: 37624115

S S W 25TH STREET

REAL ESTATE

Total Value

\$135,600

PROPERTY DETAIL

Account Number	37624115
GPIN	1428841894
Parent Account	37624100
Neighborhood	141290
Owner Name	Gosnold Apartments Llc
Property Address	S S W 25TH STREET
Property Use	Industrial Vacant Land
Building(s)	-
Plate	0526
House Plate Number	34
Mailing Address	1010 N Thompson St Ste 200 Richmond VA 23230-4924
Legal Description	Lot C, 0.156 Ac, Block 27, O D PI
Parcel Approximate Area (Sq Ft)	6,158 sqft
Parcel Approximate Acreage	0.1414 acres

RESIDENTIAL PROPERTY

BUILDING --

Building Type	-		
Number of Stories	-	Year Built	-
Construction Quality	No Info	Finished Living Area	-
Bedrooms	-	Full Baths	-
Half Baths	-	Fireplaces	No
Heating	-	Cooling	-
Foundation	No Info	Attic	No Attic
Attic Area	0 sqft	Interior Wall	-
Exterior Cover	-	Roof Style	-
Roof Cover	-	Framing	-
Framing Class	-	Basement Finished Area	0 sqft
Attached Garage Area	-	Detached Garage Area	-

ADDITIONAL PROPERTY INFORMATION

Bathhouse	No	Boat Dock	No	Boat House	No
Boat Lift	No	Boat Piling	No	Boat Slip	No
Bulkhead	No	Carport	No	Enclosed Porch	No
Gazebo	No	Greenhouse	No	Hotub	No
Irrigation System	No	Open Porch	No	Patio	No
Riprap	No	Sauna	No	Shed	No
Solarium	No	Wood Deck	No	Workshop	No
Tennis Court	No				
Stormwater BMP	No				
# of Stormwater BMPs	0				

For additional information regarding the Best Management Practice (BMP) on your property, please contact the Division of Environmental Storm Water Management at (757) 823-4010. <https://www.norfolk.gov/5182/Stormwater-Management-BMPs>

SALES / VALUE HISTORY

SALES HISTORY

OWNER	TRANSFER DATE	SALE PRICE	TYPE	DEED REFERENCE
Gosnold Apartments Llc	10/05/2005	\$709,500	X	050042757

ASSESSMENT HISTORY

EFFECTIVE DATE	LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE
07/01/2025	\$135,600	\$0	\$135,600
07/01/2024	\$135,600	\$0	\$135,600
07/01/2023	\$135,600	\$0	\$135,600
07/01/2022	\$135,600	\$0	\$135,600
07/01/2021	\$135,600	\$0	\$135,600



City of Norfolk - NORFOLK AIR

Tax Account: 37624105

N S W 24TH STREET

Total Value

\$81,500

REAL ESTATE

PROPERTY DETAIL

Account Number	37624105
GPIN	1428841764
Parent Account	37624100
Neighborhood	141290
Owner Name	Gosnold Apartments Llc
Property Address	N S W 24TH STREET
Property Use	Industrial Vacant Land
Building(s)	-
Plate	0526
House Plate Number	34
Mailing Address	1010 N Thompson St Ste 200 Richmond VA 23230-4911
Legal Description	Lot A, 0.156 Ac, Block 27, O D PI
Parcel Approximate Area (Sq Ft)	6,003 sqft
Parcel Approximate Acreage	0.1378 acres

RESIDENTIAL PROPERTY

BUILDING --

Building Type	-		
Number of Stories	-	Year Built	-
Construction Quality	No Info	Finished Living Area	-
Bedrooms	-	Full Baths	-
Half Baths	-	Fireplaces	No
Heating	-	Cooling	-
Foundation	No Info	Attic	No Attic
Attic Area	0 sqft	Interior Wall	-
Exterior Cover	-	Roof Style	-
Roof Cover	-	Framing	-
Framing Class	-	Basement Finished Area	0 sqft
Attached Garage Area	-	Detached Garage Area	-

ADDITIONAL PROPERTY INFORMATION

Bathhouse	No	Boat Dock	No	Boat House	No
Boat Lift	No	Boat Piling	No	Boat Slip	No
Bulkhead	No	Carport	No	Enclosed Porch	No
Gazebo	No	Greenhouse	No	Hotub	No
Irrigation System	No	Open Porch	No	Patio	No
Riprap	No	Sauna	No	Shed	No
Solarium	No	Wood Deck	No	Workshop	No
Tennis Court	No				
Stormwater BMP	No				
# of Stormwater BMPs	0				

For additional information regarding the Best Management Practice (BMP) on your property, please contact the Division of Environmental Storm Water Management at (757) 823-4010. <https://www.norfolk.gov/5182/Stormwater-Management-BMPs>

SALES / VALUE HISTORY

SALES HISTORY

OWNER	TRANSFER DATE	SALE PRICE	TYPE	DEED REFERENCE
Gosnold Apartments Llc	10/05/2005	\$709,500	X	050042757

ASSESSMENT HISTORY

EFFECTIVE DATE	LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE
07/01/2025	\$81,500	\$0	\$81,500
07/01/2024	\$81,500	\$0	\$81,500
07/01/2023	\$81,500	\$0	\$81,500
07/01/2022	\$81,500	\$0	\$81,500
07/01/2021	\$81,500	\$0	\$81,500



Tab F:

RESNET Rater Certification (MANDATORY)

- RESNET Rating for Rehab and New Construction
- Documentation of Renewable Energy Source
- Documentation of Green Certification



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).

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

***Please note that this may make the Application 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, the applicant will obtain and provide EnergyStar Certification to Virginia Housing.
- Rehabilitation** – 30% performance increase over existing, based on HERS index.
Or, it must provide evidence of a HERS Index of 80 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.
- Adaptive Reuse** – Must provide evidence of a HERS index of 95 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.


Additional Optional Certification

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

- Earthcraft Certification** - The development's design meets the criteria to obtain Earthcraft Multifamily program gold certification or higher.
- LEED Certification** - The development's design meets the criteria for the U.S. Green Building Council LEED green building certification.
- National Green Building Standard (NGBS)** - The development's design meets the criteria for meeting the NGBS Silver or higher standards to obtain certification
- Enterprise Green Communities**—The development's design meets the requirements stated in the Enterprise Green Communities Criteria for this development's construction type to obtain certification.

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

	Jeff Sadler	3-9-26
RESNET Rater Signature	Printed Name	Date

Building Efficiency Resources	Tim Stone
RESNET Provider Agency	Provider Contact Name
	hers@theber.com
Contact Signature	Email
	(800) 399-9620
	Phone

Gosnold II Apartments
Development Name

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2026-03-09

Registry ID:

Ekotrope ID: d1EEem7xd



HERS® Index Score:

50

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

\$708

*Relative to an average U.S. home

Home:

2425 Gosnold Ave - UD 1A 1st Fl (Renovation)
Norfolk, VA 23517

Builder:

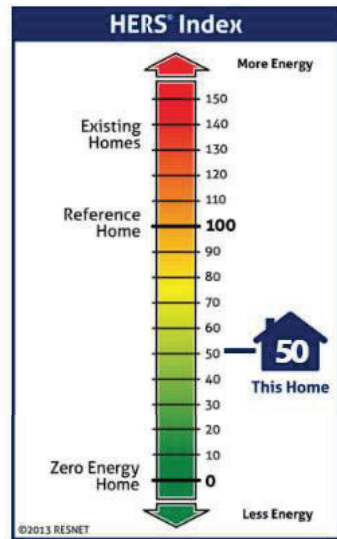
Support Works Housing

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.3	\$52
Cooling	1.5	\$62
Hot Water	1.0	\$40
Lights/Appliances	10.0	\$397
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	13.8	\$642

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	415 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 6.3 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 11.9 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 4.16 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 1.72 ACH50)
Ventilation:	50 CFM • 26 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-22
Ceiling:	Adiabatic, R-15
Window Type:	U-Value: 0.28, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
800-399-9620



Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/10/26 at 7:56 AM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.1.3818

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2026-03-09

Registry ID:

Ekotrope ID: LKBpApk2



HERS® Index Score:

51

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

\$744

*Relative to an average U.S. home

Home:

2425 Gosnold Ave - UD 1B End 1st Fl (Renovation)
Norfolk, VA 23517

Builder:

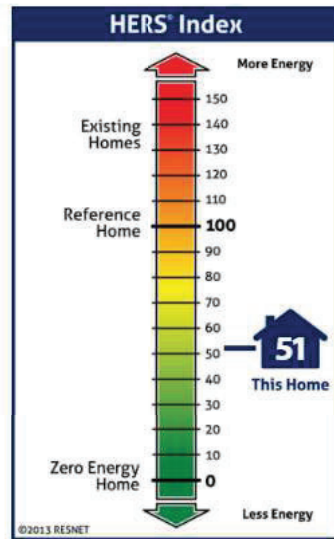
Support Works Housing

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.5	\$99
Cooling	1.1	\$44
Hot Water	1.0	\$41
Lights/Appliances	10.1	\$401
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	14.7	\$676

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	440 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 6.3 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 11.9 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 4.16 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.54 ACH50)
Ventilation:	50 CFM • 26 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-22
Ceiling:	Adiabatic, R-15
Window Type:	U-Value: 0.28, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
800-399-9620



Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/10/26 at 7:56 AM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.1.3818

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2026-03-09

Registry ID:

Ekotrope ID: dqbpMg9v



HERS® Index Score:

49

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

\$889

*Relative to an average U.S. home

Home:

2425 Gosnold Ave - UD 1F Int 1st Fl (Renovation)
Norfolk, VA 23517

Builder:

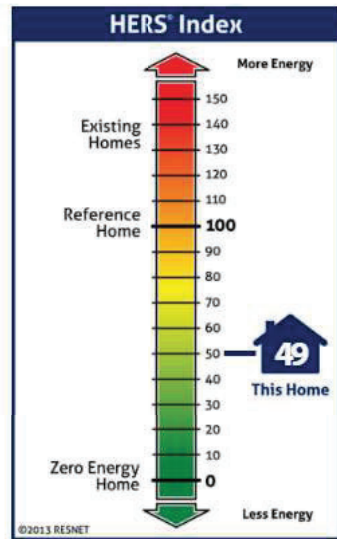
Support Works Housing

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.7	\$108
Cooling	1.6	\$62
Hot Water	1.1	\$42
Lights/Appliances	11.5	\$459
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	16.9	\$762

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	819 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 6.3 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 11.9 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 4.16 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.05 ACH50)
Ventilation:	50 CFM • 26 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-22
Ceiling:	Adiabatic, R-15
Window Type:	U-Value: 0.28, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
800-399-9620



Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/10/26 at 7:56 AM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.1.3818

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.



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).

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

***Please note that this may make the Application 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, the applicant will obtain and provide EnergyStar Certification to Virginia Housing.
- Rehabilitation** – 30% performance increase over existing, based on HERS index.
Or, it must provide evidence of a HERS Index of 80 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.
- Adaptive Reuse** – Must provide evidence of a HERS index of 95 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.

Additional Optional Certification

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

- Earthcraft Certification** - The development's design meets the criteria to obtain Earthcraft Multifamily program gold certification or higher.
- LEED Certification** - The development's design meets the criteria for the U.S. Green Building Council LEED green building certification.
- National Green Building Standard (NGBS)** - The development's design meets the criteria for meeting the NGBS Silver or higher standards to obtain certification
- Enterprise Green Communities**—The development's design meets the requirements stated in the Enterprise Green Communities Criteria for this development's construction type to obtain certification.

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

	Jeff Sadler	3-9-26
RESNET Rater Signature	Printed Name	Date

Building Efficiency Resources	Tim Stone
RESNET Provider Agency	Provider Contact Name

	hers@theber.com	(800) 399-9620
Contact Signature	Email	Phone

Gosnold II Apartments
Development Name

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2026-03-09

Registry ID:

Ekotrope ID: vPVMql8L



HERS® Index Score:

49

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

\$756

*Relative to an average U.S. home

Home:

2425 Gosnold Ave - UD 1C Int Top Fl (New Const)
Norfolk, VA 23517

Builder:

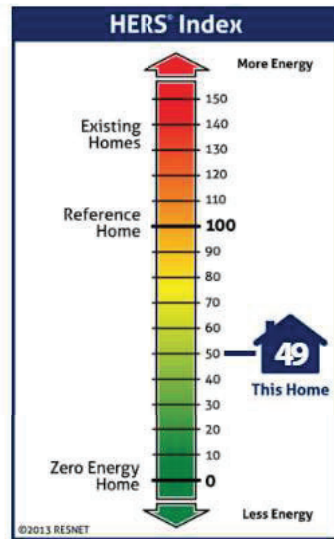
Support Works Housing

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.4	\$55
Cooling	2.0	\$80
Hot Water	1.0	\$40
Lights/Appliances	10.0	\$399
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	14.4	\$665

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	429 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 6.3 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 11.9 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 4.16 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 1.92 ACH50)
Ventilation:	50 CFM • 26 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-30
Ceiling:	Vented Attic, R-38
Window Type:	U-Value: 0.28, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-21

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
800-399-9620



Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/10/26 at 7:56 AM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.1.3818

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2026-03-09

Registry ID:

Ekotrope ID: dWENoBX2



HERS® Index Score:

48

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

\$797

*Relative to an average U.S. home

Home:

2425 Gosnold Ave - UD 1D End Top Fl (New Const)
Norfolk, VA 23517

Builder:

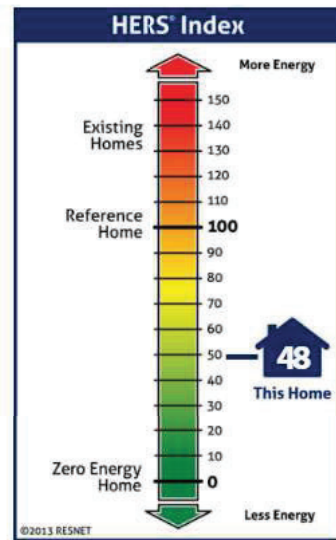
Support Works Housing

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.6	\$65
Cooling	2.0	\$81
Hot Water	1.0	\$40
Lights/Appliances	10.0	\$399
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	14.7	\$676

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	429 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 6.3 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 11.9 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 4.16 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.50 ACH50)
Ventilation:	50 CFM • 26 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-30
Ceiling:	Vented Attic, R-38
Window Type:	U-Value: 0.28, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-21

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
800-399-9620



Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/10/26 at 7:56 AM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.1.3818

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2026-03-09

Registry ID:

Ekotrope ID: dWENoVE2



HERS® Index Score:

50

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

\$778

*Relative to an average U.S. home

Home:

2425 Gosnold Ave - UD 1E Int Top Fl (New Const)
Norfolk, VA 23517

Builder:

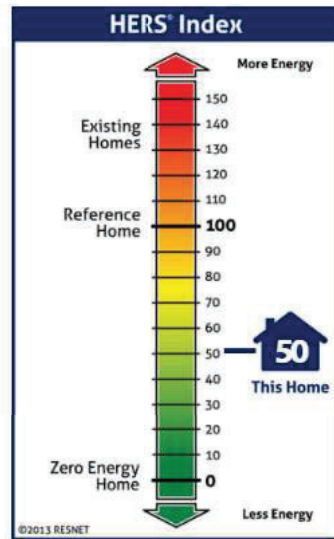
Support Works Housing

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.5	\$61
Cooling	2.3	\$93
Hot Water	1.0	\$41
Lights/Appliances	10.3	\$412
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	15.2	\$698

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	N/A
Community:	N/A
Conditioned Floor Area:	511 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 6.3 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 11.9 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 4.16 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 1.76 ACH50)
Ventilation:	50 CFM • 26 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-30
Ceiling:	Sealed Attic, R-30
Window Type:	U-Value: 0.28, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-21

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
800-399-9620



Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/10/26 at 7:56 AM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.1.3818

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.

Gosnold II Apartments

Documentation of installation of a renewable energy electric system.

Gosnold II Apartments will feature a roof mounted solar photovoltaic panel system. The system will be installed in accordance with manufacturer's specifications and all applicable provisions of the National Electric Code.

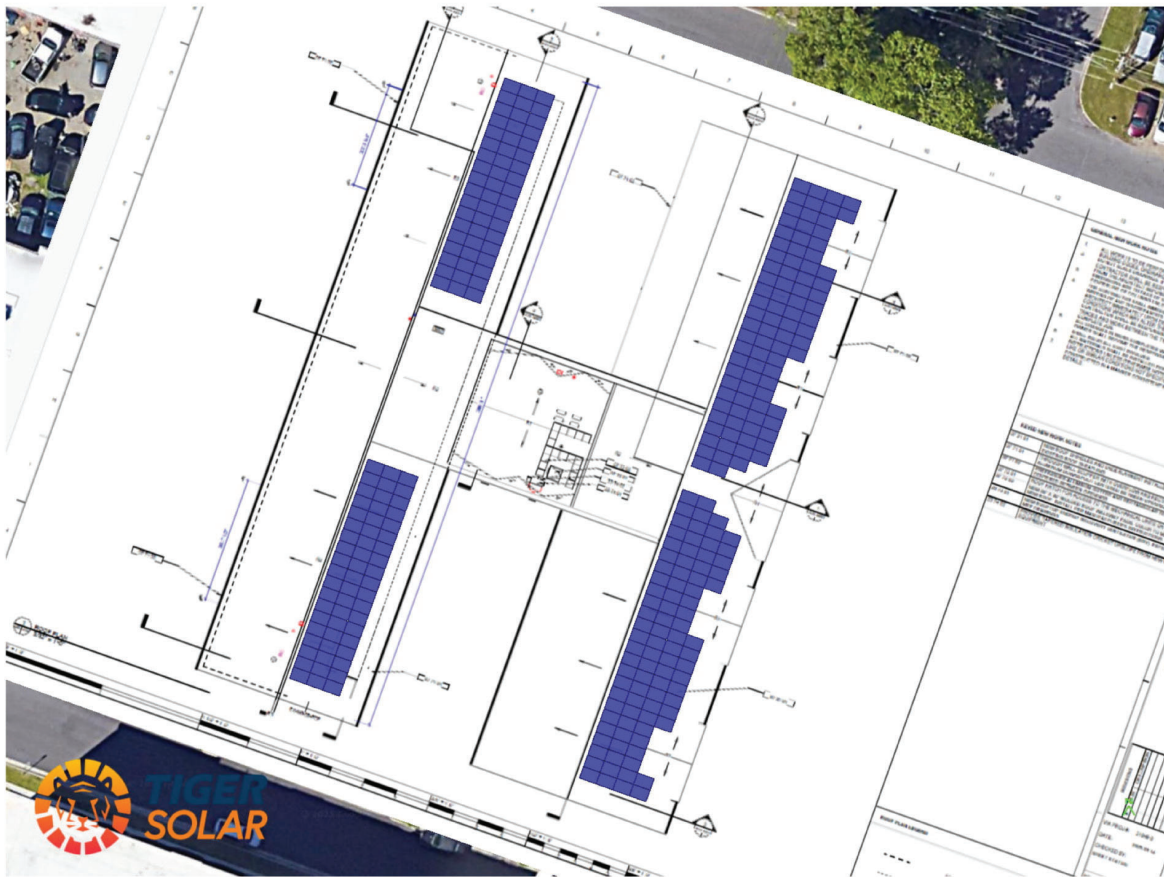
Attached is a solar proposal from Tiger Solar. The system installed will be similar in scope to the system shown in the proposal. SupportWorks has worked with Tiger Solar (formerly Alt Energy) on the installation of similar renewable energy systems at multiple other multifamily projects.

125.72 kW Solar Project Proposal

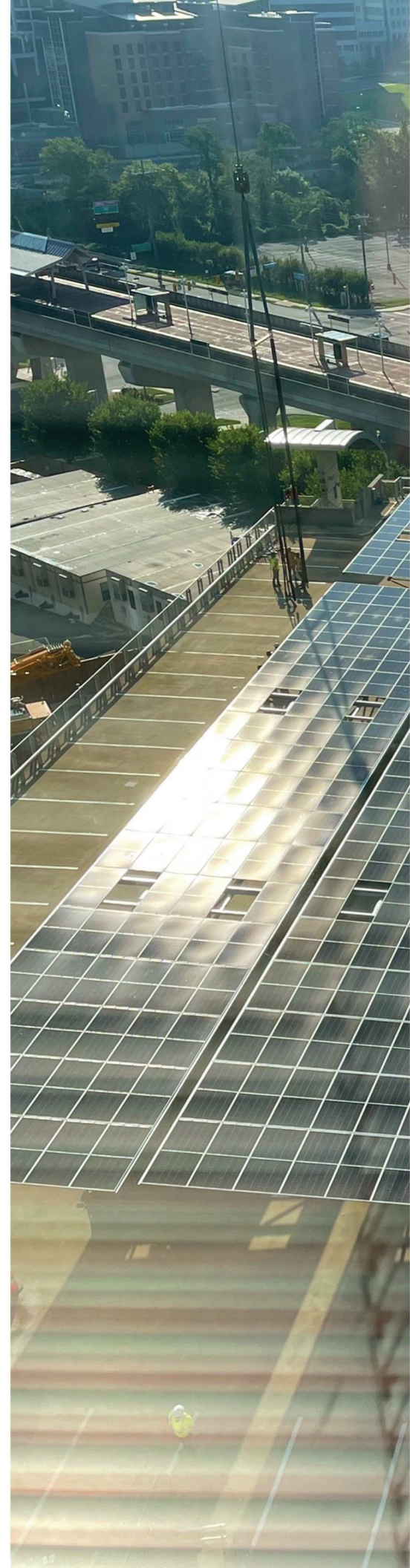
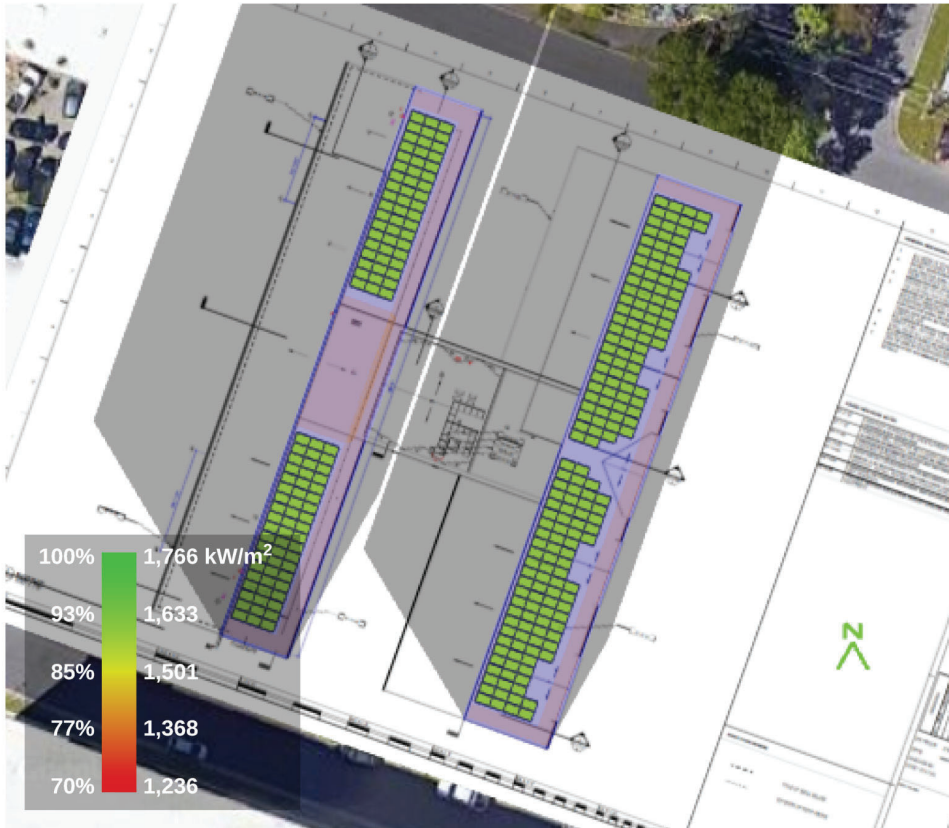
Prepared for: Gosnold II

2425 Gosnold Avenue, Norfolk, VA

Prepared by: Michael McCue



Project Summary



Modules: **(289) Hyundai HiN-T435NF(BK) 435.00 W**

25 year manufacturer's production guarantee

Inverters: **(2) SolarEdgeSE50KUS (SE-TRI-US00IBNS4) - Domestic Content**

12 year manufacturer's warranty

System Size: **125.72 kW DC**

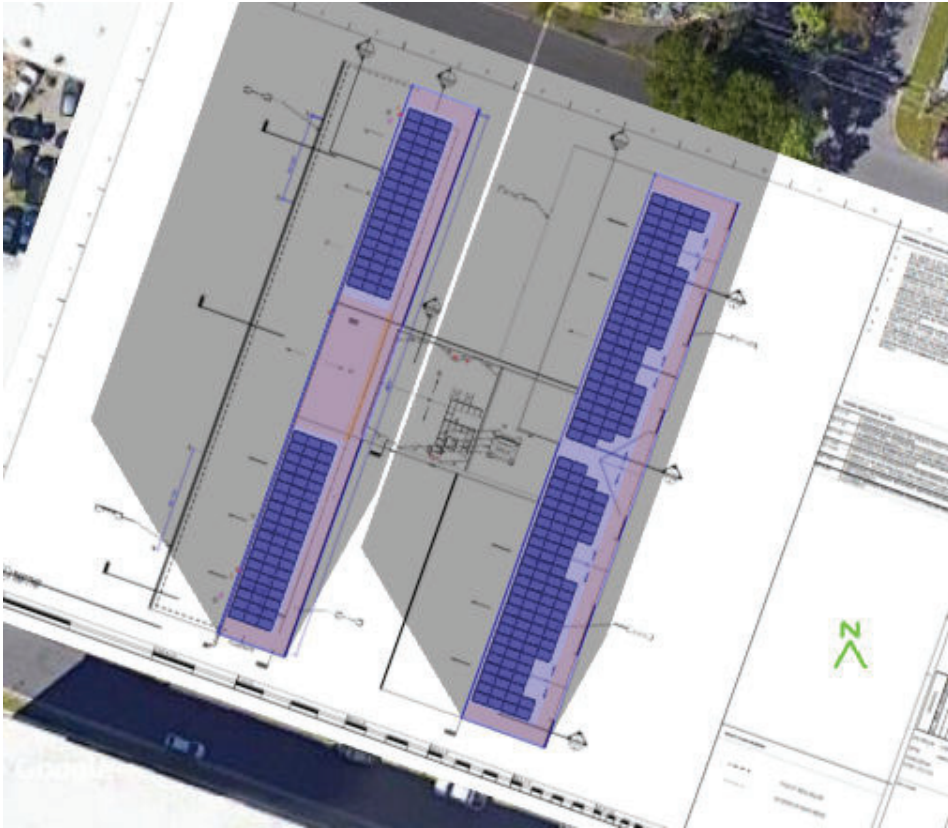
Annual Energy Production: **157.82 MWh**

Energy Offset: **%TBD**

Tiger Solar Care-Free Warranty: **First Year**

- Workmanship Warranty
- RMA Support
- Active Monitoring

Project Economics



Turnkey System Costs:	\$289,145
30% Federal Tax Credit:	\$(86,743)
Net Project Costs:*	\$202,402

*Contributing return factors not shown in Net Project Costs:

- MACRS Depreciation (if applicable)
- Income from sale of SRECs
- Any additional tax credits, grants, or incentives

Avoided Energy Cost (\$/kWh):	\$0.10
Energy Savings - First Year:	\$15,782.25
Energy Savings - Lifetime:	\$494,631.60
Project IRR:	10.59%
ROI:	119.06%

Environmental Impact

In addition to reducing strain on the electrical grid, which promotes America's energy independence and keeps everybody's power bills lower, your solar array is a significant benefit to the environment.

The following metrics help to quantify equivalent offsets:



1,109,649.6

Gallons of gasoline consumed



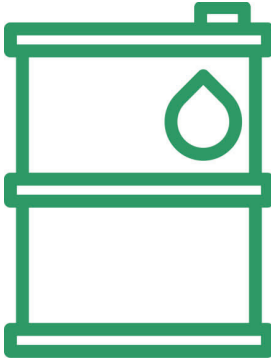
2,590,611.1

kG of CO2 released into the atmosphere



428,715.0

Tree seedlings grown for 10 years



6,009.3

Barrels of oil consumed



Gosnold II Apartments

Documentation of Green Certification

Gosnold II Apartments will meet the base line energy performance standard applicable to achieve Earthcraft Gold certification. Gosnold II Apartments has contracted with Ecovative Energy to consult on the project as well as to provide certification at final completion. Attached is the original contract for Green Certification Services with Viridiant, as well as the assignment of that agreement to Ecovative Energy.

MEMORANDUM OF AGREEMENT

Contract Assignment for Gosnold II Apartments Green Building Certification Services

Date: [Insert Date]

Parties:

- **Supportworks Housing, Inc.** (“Client”)
 - **Viridiant, Inc.** (“Viridiant”)
 - **Ecovative Energy, LLC** (“Ecovative Energy”)
-

1. Background

Supportworks Housing and Viridiant entered into an agreement dated May 14, 2025 for green building certification services for the **Gosnold II Apartments** project (“Agreement”).

Viridiant is undergoing a strategic transition and will no longer provide end-to-end multifamily certification services. To ensure continuity of service, Viridiant intends to assign its rights, responsibilities, work product, and remaining obligations under the Agreement to Ecovative Energy.

Ecovative Energy is an experienced energy-efficiency and building-performance services provider and is prepared to assume all duties under the Agreement.

2. Assignment of Contract

Effective upon full execution of this memorandum:

1. **Viridiant hereby assigns to Ecovative Energy** all of its rights, responsibilities, obligations, and remaining scope of work under the Agreement for Gosnold II Apartments.
2. **Ecovative Energy accepts the assignment** and agrees to perform all remaining services in accordance with the terms of the Agreement, including the pricing, deliverables, timelines, and performance standards originally agreed to between Supportworks Housing and Viridiant.
3. **Supportworks Housing consents** to this assignment and acknowledges Ecovative Energy as the sole service provider moving forward.

3. Transfer of Work Product and Materials

Viridiant will transfer to Ecovative Energy, within five (5) business days of execution:

- All project files, analyses, design reviews, and documentation produced to date
- Any project correspondence maintained by Viridiant
- Any other materials reasonably necessary for Ecovative Energy to continue the work without disruption

Supportworks Housing acknowledges that all existing work product may be shared for continuity purposes.

4. Financial Considerations

- Viridiant will transfer the \$12,400 retainer to Ecovative Energy.
- Ecovative Energy will invoice Supportworks Housing for future milestones pursuant to the original Agreement pricing schedule.
- Supportworks Housing agrees that no changes to the fee structure will result from this assignment unless mutually agreed in writing.

5. Release

Upon completion of the transfer described above:

- **Supportworks Housing releases Viridiant** from all future performance obligations under the Agreement.
 - Viridiant remains responsible only for services performed prior to the date of assignment.
 - Ecovative Energy assumes all future responsibilities and liabilities associated with ongoing and future performance.
-

6. Continuity of Service

All parties agree to work cooperatively to ensure a smooth transition. Ecovative Energy will coordinate an initial kickoff call with Supportworks Housing within ten (10) business days of execution to review status, deliverables, and next steps.

7. Signatures

VIF Signed by:
By: Andrew Green
73EEB910AC844E5...
Name: Andrew Green
Title: Executive Director
Date: 12/1/2025

EC Signed by: **GY, LLC**
By: Jeff Sadler
5E8E7C4447DE4E1...
Name: Jeff Sadler
Title: Principle
Date: 12/1/2025

SU Signed by: **ING**
By: Allison Bogdanovic
329EDDDCD83C4A2...
Name: Allison Bogdanovic
Title: Executive Director
Date: 12/1/2025



May 7, 2025

Elliot Warsof
Support Works Housing
1900 Cool Lane, Suite B
Richmond, Virginia 23223
ewarsof@supportworkshousing.org

Re: Gosnold II Apts

Dear Elliot Warsof,

Thank you for considering Viridiant to provide green building services for Gosnold II Apts. Viridiant is a regional third-party green building, consultation, and verification organization that recognizes environmentally responsible design and construction practices in the Southeast. We welcome your participation in the program and look forward to working with you to meet your goals for certification.

The following pages of this agreement outline the certification process and associated costs. Please sign and return this contract to Viridiant.

Upon signing and returning this contract agreement, a Viridiant Project Manager will be assigned as your primary point of contact and will contact you directly to kick-off the certification process.

Because of the benefits to your client and the community, Viridiant is strongly invested in projects such as yours and is excited by the possibility of working closely with you to produce successful projects. Please feel free to contact me with any questions you may have. Thank you for this opportunity.

Sincerely,



Andrew Green
Executive Director, Viridiant

PROJECT OVERVIEW - Gosnold II Apts

Support Works Housing will build a 101-unit multifamily housing development located in Norfolk, VA. The development consists of 1 building and is classified as low rise construction. The project will pursue the following certification(s): ENERGY STAR Multifamily New Construction, EarthCraft Gold, ZERH.

Does the project intend to qualify for the 45L Tax Credit? (Pick One) ZERH Energy Star Unsure No

*It is imperative Viridiant is notified of the intention to qualify for 45L tax credit prior to design review analysis and construction, as it could impact the program revision the project pursues. It is the responsibility of the project team to disclose.

SCOPE OF SERVICES

Service Level: Core Verification *Projected Combined Fee: \$74,000*

Viridiant will perform the following scope of services to verify program compliance, and compliance with RESNET and ANSI Standards for generating Sampled HERS Ratings. The following fees are based on the provided project information including location, 1 building 3 stories or less, 101 units, and 7 RESNET unit types. If there are unit square footage or window area variations greater than 10% within each bedroom type, or ceiling height differences of greater than .5', per RESNET standards, these will be counted and modeled as separate unit types, which may result in added fees. Fees are subject to increase if the complexity of the project changes or if major scope changes occur.

Viridiant's fee for your project includes a fixed fee portion and an estimated portion. The estimated portion is based on other projects like yours. Lower costs will be realized if you consolidate site visits when feasible and provide requested information in a concise, but thorough format.

Fixed Fee Scope of Services

Design \$12,400

Initial Review (65% Design Documents)

At approximately 65% Design Documents, the project team should request the Initial Review and provided updated plans and specifications. Viridiant will update the unit-level energy models and conduct a review of the plans for compliance with the ENERGY STAR Multifamily New Construction, EarthCraft Gold, ZERH program requirements. At minimum, the provided plans should include architectural, mechanical, plumbing, and electrical, building level floor plans, unit level floor plans with dimensions, a unit matrix, detailed wall sections, elevations (interior and exterior), and window and door schedules. Program required documents and Manual J/HVAC load calculations for each unit type shall be provided.

A minimum of two weeks is needed between Viridiant receiving complete documentation and the initial review meeting being held. The developer and/or general contractor is responsible for organizing all applicable design and construction team members for the meeting. The meeting will be held virtually unless an in-person meeting is requested. A trip charge applies for in-person meetings. After the meeting is held, Viridiant will provide meeting minutes. One additional update to the energy models after the meeting is included.

The intent of this meeting is to review programmatic requirements, ensure no changes have been made since pre-review that may jeopardize certification, and provide the team adequate time to make any changes to the design or scope that may be necessary for program compliance.

Turnaround Time: 2 weeks from receipt of all required materials

Design Review (85% Design Documents)

Upon the team requesting the design review and providing current plans and specifications (no later than 85% Design Documents), Viridiant will update the unit-level energy models and conduct a review of the plans for compliance with the ENERGY STAR Multifamily New Construction, EarthCraft Gold, ZERH program requirements. At minimum, the provided plans should include architectural, mechanical, plumbing, and electrical, building level floor plans, unit level floor plans with dimensions, a unit matrix, detailed wall sections, elevations (interior and exterior), and window and door schedules. Any Program required documents and Manual J/HVAC load calculations revised since the Initial Review shall be provided.

A minimum of two weeks is needed between Viridiant receiving complete documentation and the design review meeting being held. The developer and/or general contractor is responsible for organizing all applicable design and construction team members for the meeting. The meeting will be held virtually unless an in-person meeting is requested. A trip charge applies for in-person meetings. After the meeting is held, Viridiant will provide meeting minutes. One additional update to the energy models after the meeting is included.

Turnaround Time: 2 weeks from receipt of all required materials

	Unit Rate Cost Per Trip	
Construction	\$16,800	\$70
Construction Kick-Off		

After the design review and before construction beginning on the project, the Viridiant Technical Advisor will hold an on-site meeting with the general contractor’s project manager, site supervisor, and any subcontractors identified by the project team whose work will be impacted by the certification goals and requirements. The program requirements and goals will be reviewed, expectations outlined, and questions answered. Any possible building envelope issues (including both air sealing and insulation) not noted at the plan review stage will be identified and the Technical Advisor will work with the general contractor and appropriate subcontractors to suggest appropriate modifications and corrections. One meeting conducted in one trip is included. Additional meetings may be requested; details can be found under Additional Services.

Variances

When an exemption or alternative compliance method for a programmatic requirement or point item is requested, Viridiant will review the documentation provided by the project team to assess the feasibility of the request. When appropriate, Viridiant will seek clarification from the Program Administrator. Up to 2 variances are included. Additional variances will be invoiced according to the Additional Services table.

Project Management

The Viridiant Project Manager will serve as the point of contact for the project team from pre-review through certification. The Project Manager will review site reports from the Technical Advisor, answer clarifying questions from the project team, and serve as the lead for the design review, submittal review, and final certification package review.

Submittal Review

Viridiant will review documentation that is provided to substantiate programmatic requirements and optional point items. Viridiant will either approve that the requirement/point item has been met, request additional information, or mark the requirement/point item as not being met. Up to 26 hours of submittal review are included. All hours over that will be billed at the Project Manager rate. Teams are encouraged to highlight where relevant information is contained, especially in lengthy documents, in order to minimize review time. Any meetings to discuss documentation, excluding what is discussed during the Design Review, will be attributed to this service category.

	Unit Rate	Cost Per Trip
Post-Construction	\$8,400	\$70

Project Closeout

Upon receiving final documentation, Viridiant will make one final update to the energy models to reflect as-built conditions, review the final certification package, submit the certification package to the Program Administrator, and issue the certification letter to the project team once cleared by the Program Administrator and all payments have been received from the project team. Any certification fees collected by a third-party program administrator shall be paid directly by Project Team and are not included in this contract.

Turnaround Time: Typically 30 days from receipt of all required materials, but will depend on responsiveness of Project Team

Fixed Fee Subtotal (Not including optional services):	\$37,600
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Activity for Viridiant - Fixed Fee Contract Portion	Fee
Notice to Proceed/Retainer	\$12,400
Pre-Construction	\$8,400
Pre-Drywall	\$8,400
Project Closeout	\$8,400

Estimated Fee Scope of Services

Inspections	\$140	\$70	\$21,300
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Slab, framing, air-sealing, pre-rock, duct sealing, insulation, and final inspection prep, as well as follow up reporting.

Service	Unit Rate per Hour	Cost Per Trip	Estimated Cost
Diagnostic Testing	\$140	\$70	\$10,200

2 preliminary blower door tests, 4 preliminary duct tests, and a minimum of 29 units tested at final.

Service	Unit Rate per Hour	Est. Hours	Estimated Cost
Technical Advisor Communications	\$140	35	\$4,900

Phone calls, emails, and any requested meetings with the Technical Advisor, outside of the Construction Kick-Off and Design Review

Estimated Fee Subtotal (Not including optional services):	\$36,400
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If the project is not permitted within 1 year and/or has not certified within 2 years of the contract signing date, both Fixed Fee and Estimated fee rates will be subject to renegotiation. In the event all parties are not able to mutually renegotiate associated costs, Viridiant has the right to release the agreement and neither party shall have any further obligation herein.

Scheduling of Services

The Technical Advisor will work closely with the project team to set the cadence of inspections. It is the project team's responsibility to call for the required inspections. Failure to do so may result in the inability to certify the project. The Technical Advisor has discretion to arrive on site for inspections without the project team calling for an inspection.

Requests for inspections should occur 2 weeks in advance so that the Technical Advisor can place a hold on their schedule. The Technical Advisor will then coordinate with the project team to firm up an exact date and time.

Requests for same day inspections will be accommodated when possible, but are often not possible to accommodate. These inspections will be billed at 1.5 times the normal hourly rate. "Same day" refers to requests scheduled after noon on the business day prior to the requested date.

SAMPLING

Viridiant follows the RESNET Sampling Protocols for on-site verification of insulation values, window values, mechanical equipment, lighting, appliances, and diagnostic testing. Sampling involves qualifying the project for sampling and then testing 1 out of every 5 units. Qualification occurs by having 5 preliminary tests followed by 5 units in a row successfully install all sampled measures in accordance with the thresholds set during the preliminary and design reviews. Any failure of a sampled item during the qualification period will cause qualification to restart and additional costs will be incurred. Any failure of a sampled item after qualification will require additional inspections and/or tests, which will incur additional fees.

Sampling will be used at the pre-drywall (mid-construction) and final phases. 5 units will have preliminary testing followed by 5 units to be inspected/tested for qualification and 19 units will be sampled at each phase, for a total of 29 visited/tested units. If RESNET guidelines dictate a different sampling schedule, Viridiant will perform required inspections as outlined by the applicable RESNET regulation.

Required Dwelling Unit Inspections

Slab - slab insulation and the vapor barrier

Contract assumption is 4 onsite visit(s).

Framing - Advanced framing measures (2 stud corners, ladder framing, etc) and insulated headers

Contract assumption is 4 onsite visit(s). 1 Inspection per building is the minimum, depending on building height. The number of visits could be higher depending on the construction schedule.

Air Sealing - Air sealing of all penetrations through the building envelope of each dwelling unit, including between units

Contract assumption is 5 onsite visit(s). 1 Inspection per building is the minimum. The number of visits could be higher depending on the construction schedule.

Pre-Rock - Chases, tubs, dropped soffits, etc

Contract assumption is 6 onsite visit(s). 1 Inspection per building is the minimum. The number of visits could be higher depending on the construction schedule.

Duct Sealing - Visual verification of the dwelling unit duct work

Contract assumption is 5 onsite visit(s). 1 Inspection per building is the minimum. The number of visits could be higher depending on the construction schedule.

Insulation - Insulation in the walls of each dwelling unit and common areas, must occur prior to any drywall being hung

A minimum of 29 units must be inspected and consist of units in each building and of each unit type. Contract assumes this is accomplished in 5 trip(s).

Preliminary Duct Blaster Testing - testing of the ducts after installation and sealing and before drywall

Contract Assumes 4 preliminary test(s) will be conducted.

Preliminary Blower Door Testing - initial testing to identify any areas of opportunity for additional air sealing and missed required areas as soon as a unit is testable

Contract Assumes 2 preliminary test(s) will be conducted.

Final Inspection Prep - verification that units have completed the key measures ahead of final testing

Contract assumes a total of 4 inspection(s), but this can vary depending on construction schedule.

Final - blower door, duct blaster, ventilation, static pressure, exhaust fan, and bedroom pressure testing as units are substantially completed

Testing must be performed on a minimum of 29 units. RESNET Sampling protocols will be followed.

Sampling Qualification - 10 units in a row which pass all tests, any building(s)

Sampled Units - 19 units of different types, on different floors, spread across all buildings.

Schedule as batches of units become available for testing. Contractor cannot indicate specific units for testing.

Required Commercial and Common Area Inspections

Air Sealing – Air sealing of all penetrations through the building envelope of each dwelling
At least 1 inspection per building

Insulation – Insulation in the walls of commercial and common areas, must occur prior to any drywall being hung

At least 1 inspection per building

Heated Plenums (if applicable) - insulation and air barriers

At least 1 inspection per building

Equipment Controls - controls for stair and elevator shaft dampers, freeze protection, lighting

At least 1 inspection per building

Duct Sealing – Visual verification of the common area duct work

At least 1 inspection per building, depending on construction schedule


Exhaust duct testing (if applicable) - testing of central exhaust duct work at rough-in

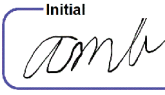
At least 1 inspection per building, depending on construction schedule

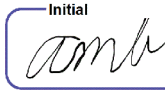
Ventilation Testing - common area systems

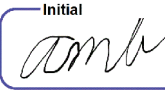
At least 1 inspection per building

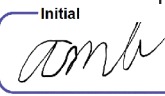
Additional Optional Services

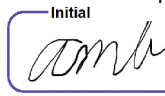
Draft Worksheet Assistance	Rate/hour:	\$135	Initial to Accept
Viridiant will assist with completing the first draft of the EarthCraft Gold checklist. Minimum charge of 1 hour of Project Manager time applies.			
Turnaround Time:	1 week from receipt of all required materials		

Value Engineering/Energy Model Revisions	Rate/hour	\$135	Initial to Accept
Viridiant will work with the project team to run different energy model iterations to assess the impact of various scope changes during. This commonly happens during value engineering but the service can be used any time during the project. Minimum charge of 1 hour of Project Manager time applies.			
Turnaround Time:	1 week from receipt of all required materials		

Additional Meetings	Rate/hour	See Professional Services Rate Table	Initial to Accept
As requested, Viridiant and/or the Technical Advisor will participate in phone, on-site, or virtual meetings that are not included in the contracted scope. A minimum charge of 1 hour per participant per meeting applies. In person meetings will incur a trip charge.			

Variances	\$350 each	Initial to Accept
2 variances are included in the contract. When an exemption or alternative compliance method for a programmatic requirement or point item is requested, Viridiant will review the documentation provided by the project team to assess the feasibility of the request. When appropriate, Viridiant will seek clarification from the Program Administrator. Up to 2 variances are included.		
Turnaround Time:	Usually 1 week from receipt of required materials	

Additional Testing	Rate/hour	\$140	Initial to Accept
Testing that is not required by the selected program(s) will be billed at the Technical Advisor hourly rate plus any trip charges. Testing may include additional preliminary duct or blower door testing, bath fan testing, kitchen range hoods, static pressure, mechanical ventilation, etc.			

Whole Building Energy Model	TBD	Initial to Accept
An energy model of each building on the property. Typically this energy usage is aggregated for the entire property, including site lighting, and entered into Portfolio Manager. Pricing will be quoted based on the specific needs of the project.		

Professional Services Rates

Senior Project Manager	\$190 /hour
Project Manager	\$135 /hour
Associate Project Manager	\$125 /hour
Technical Advisor	\$140 /hour
Quality Assurance Designee	\$290 /hour

Appendix ES

ENERGY STAR PROGRAM OVERVIEW



ENERGY STAR Multifamily New Construction (MFNC) is an energy efficiency program developed by the EPA for use by new construction multifamily projects of all sizes. It is a national program. Earning the ENERGY STAR mark indicates that a building has met all of the requirements of the ENERGY STAR program specifications. ESMFNC was introduced in 2019, and will be mandatory for all multifamily new construction projects permitted July 1, 2021 or later.

ENERGY STAR GOALS

Gosnold II Apts will seek to achieve certification under the ENERGY STAR MFNC program, utilizing the associated checklists and appropriate revision version of those checklists.

SCOPE OF SERVICES

In order to verify compliance with ENERGY STAR for all units at Gosnold II Apts Viridiant will perform the following scope of services in accordance with the RESNET and ANSI Standards for generating Sampled HERS Ratings.

Pre-Construction

HVAC Compliance Review: Ventilation, Load Calculation and Duct Design

Viridiant's HVAC Load Calculation Review helps prevent space heating and cooling equipment over-sizing, which could reduce equipment costs, prevent moisture and resident comfort issues, and improve HERS energy performance. Viridiant will review the following for program and performance compliance, and provide the Project Team with detailed feedback concerning any issues:

- Manual J load calculations
- Manual D duct design
- Manual S equipment selection
- Review mechanical fresh air ventilation strategy

Project Team Responsibilities:

- Provide Viridiant with a copy of the load calculations, duct design, equipment selection criteria, and mechanical fresh air ventilation strategy prior to the design review meeting. The design review meeting cannot be held until Viridiant has reviewed the submitted load calculations, duct design, equipment selection, and mechanical fresh air ventilation strategy and concluded they are compliant with program requirements.

Design Review

Viridiant will:

- Update unit-level energy models per RESNET Multifamily Modeling Guidelines to assess whether predicted energy performance meets the ENERGY STAR Target HERS requirements.

- Meet with key stakeholders to discuss project comments and answer questions.
- Establish existing benchmarks, energy and environmental goals for the project.
- Review the ENERGY STAR checklists and program requirements with the Project
- Communicate suggested modifications that should be incorporated to reach certification.
- Provide an overview of the energy model analysis results and HVAC compliance
- Provide meeting minutes summarizing the design review to the Project Team.
- Provide one update to the energy models pending design review feedback and design changes. Additional energy model changes due to design changes and/or value management will be billed an hourly rate.

Project Team Responsibilities:

- No later than the completion of 85% Design Documents, contact Viridiant to schedule the Design Review Meeting and submit project documents including the drawings, the [Viridiant Specifications Sheet](#), and construction schedule. Drawings should include, but not limited to: architectural, mechanical, plumbing, and electrical plans; building level floor plans, unit level floor plans with dimensions, unit matrix, detailed wall sections, elevations (interior and exterior); window and door schedules.
- Provide Viridiant with at least two weeks to complete this review. The Project Team should consider any applicable funding deadlines or internal project deadlines when determining when to submit for Design Review.
- The developer and/or general contractor is responsible for organizing all applicable design team members as identified by the development team and/or Viridiant staff.

Pre-Drywall

Construction Kick-off Meeting

Viridiant Technical Advisor (TA) will:

- Review the program requirements and goals on-site with the general contractor's project manager and site supervisor, and any subcontractors identified by the project team whose work will be impacted by these goals. Meet with all appropriate contractors invited to the meeting to outline expectations and answer questions.
- Identify possible building envelope issues (including both air sealing and insulation) not noted at the plan review stage and work with the general contractor and appropriate subcontractors to suggest appropriate modifications or corrections.
- Verify on-site erosion control measures (if applicable).

Project Team Responsibilities:

- It is the developer and/or general contractor's responsibility to schedule the Construction Kick-off Meeting. This meeting should be held prior to new work beginning on the project. This meeting cannot be held until the Design Review has been completed.

Inspections

Viridiant TA will:

- In accordance with RESNET Sampling Protocols, conduct visual inspections for a sampling of units to verify program compliance of: mechanical equipment and duct systems at rough-in for Manual J load calculation sizing and Manual D duct design; duct sealing measures; insulation application to identify possible insulation coverage and envelope issues, and to assess an insulation installation grading.
- Perform total leakage duct pressure tests on unit-level duct systems for a sampling of unit types (not to exceed 4 units) for informational purposes and contractor education prior to the final installation of drywall. Quantify total duct loss and identify leaks and possible “weak points” in the sampled systems. Review the identified issues with the HVAC subcontractor on site or through written reporting.
- Perform unit envelope airtightness tests on 2 units for informational purposes and contractor education. Quantify total unit envelope airtightness and identify areas for air sealing.
- Verify ENERGY STAR checklist and energy model input compliance.
- Produce an inspection report noting any specific deficiencies, identifying problem areas and suggesting corrective measures. Review this report with established

Project Team Responsibilities:

- The general contractor is responsible for scheduling inspections at the appropriate time. Viridiant is not responsible for unit or building failure due to late scheduling or failure to schedule by the Project Team.
- Viridiant may require the builder to submit photo documentation to further verify the above measures.

Project Closeout

Final Diagnostic Assessment and Visual Verification Visits

Viridiant TA will:

- After qualifying for sampling and in accordance with RESNET Sampling Protocols, conduct unit-level blower door, duct blaster, whole-house mechanical ventilation, local mechanical exhaust (including bath and kitchen), static pressure, and bedroom pressure testing to verify the units meet established envelope infiltration, duct leakage, fan flow rate, and pressure goals.
- Visually verify installed fixtures and appliances consistent with efficiencies specified for the project in units tested.
- Verify ENERGY STAR checklist and energy model input compliance.
- Produce inspection report noting any specific deficiencies, identifying problem areas, and suggesting corrective measures. Review this report with the General Contractor, Developer and the appropriate subcontractor.

Project Team Responsibilities:

- The general contractor is responsible for scheduling final diagnostic inspections and visual verification visits when appropriate. Details of required inspections will be provided at the Construction Kick-off meeting. Viridiant is not responsible for unit or building failure due to late scheduling or failure to schedule by the Project Team.
- The project team must provide an accessible way for ventilation testing to occur in each dwelling unit.
- The project team must ensure that the HVAC contractor drills holes to test the return and supply side static pressure.
- If units are occupied the Project Team must prepare the unit prior to final tests. This means alerting the tenants before the TA arrives and ensuring the unit is ready for the inspection with all pets crated. This also includes moving all furniture blocking wall registers or directly underneath ceiling registers, ensuring the mechanical closet is accessible and unlocked, ensuring the water heater is accessible and unlocked, and ensuring there are no additional impediments that would limit the ability to perform the final test. Viridiant will not be able to move any items in order to complete the inspection. A representative from the Project Team must remain on-site during the entirety of the final inspections.

Final Review and Certification**Viridiant will:**

- Review all project documentation submissions to date submitted by the Project Team.
- Verify the final ENERGY STAR checklists and associated documentation.
- Update unit-level energy modeling at project completion to ensure it reflects as-built building conditions and required efficiency levels are being met.
- Provide additional written feedback on project verification documentation, if needed. To achieve certification, the project must successfully pass all program requirements and required performance testing.
- Once outstanding requirements and point items have been reviewed and marked complete, the team will be sent a copy of the final checklists to sign and return.

Project Team Responsibilities:

- For items that could not be field-verified, it may be necessary for the Project Team to supply further documentation to Viridiant including but not limited to official project name (for certification documents), product literature, photographs, order forms, plan details, etc. It is the Project Team's responsibility to provide such items to ensure the final energy models are able to be generated and ensure the project can earn ENERGY STAR certification.

Appendix EC

EARTHCRAFT MULTIFAMILY PROGRAM OVERVIEW



EarthCraft Multifamily (ECMF) is a program developed by Southface Energy Institute and delivered in partnership with Viridiant. In 1999 Southface and the Greater Atlanta Home Builder's Association created EarthCraft to foster the greening of single-family residential homes and serve as a regional third-party verification program. The family of programs has now expanded to include multifamily homes, residential renovations, communities, light commercial buildings, and historic structures across the Southeast.

The program has successfully certified over 35,000 multifamily units across the Southeast. ECMF Certification is intended for new construction or major renovation developments located in the United States in Climate Zones 2a, 3a, and 4a.

The ECMF program offers extensive support during the design and construction process, addressing sustainable design and construction strategies particular to multifamily construction. Program areas include site planning and development, construction waste management, resource efficiency, building durability, indoor air quality, high performance building envelope, energy and water efficiency, education and operations, and innovation.

EARTHCRAFT GOALS

Gosnold II Apts will follow the EarthCraft Multifamily New Construction worksheet v7 and seek to achieve ECMF Gold level certification.

SCOPE OF SERVICES

In order to verify compliance with ECMF for all units at Gosnold II Apts Viridiant will perform the following scope of services in accordance with the RESNET and ANSI Standards for generating Sampled HERS Ratings.

Pre-Renovation Inspection (Only Applicable to Renovation Projects)

Pre-Renovation Testing and Inspection

Viridiant will:

- Visit the property to perform building diagnostic tests (duct blaster, blower door, & ventilation) on one unit of each unit type and a visual inspection to assess characteristics of the existing buildings. In order to do so, Viridiant will need:
 - Access to one of each unit type prior to any demolition for inspection and establishment of performance benchmarks.
 - To review existing conditions and note any areas of concern related to building condition or improvement strategy.
- Provide a report outlining the findings and potential issues.
- Issue the Pre-Renovation Inspection fee if the inspection is scheduled. See Fee Schedule below for more information.

Project Team Responsibilities:

- Coordinate with Viridiant and the Property Manager or other on-site contact to schedule the Pre-Renovation Inspection.
- Provide drawings of existing project conditions if requested and available.
- Provide access to site, buildings, basements, crawlspaces, attics, central equipment, and/or additional project features if applicable to the project's existing conditions.
- Provide an accessible way for diagnostic testing to occur in each dwelling unit. If units are occupied the Project Team must prepare the unit prior to Pre-Renovation inspection. This means alerting the tenants before Viridiant arrives and ensuring the unit is ready for the inspection with all pets crated. This also includes moving all furniture blocking wall registers or directly underneath ceiling registers, ensuring the mechanical closet is accessible and unlocked, ensuring the water heater is accessible and unlocked, and ensuring there are no additional impediments that would limit the ability to perform the inspection and testing. Viridiant will not be able to move any items in order to complete the inspection. A representative from the Project Team and/or property management must remain on-site during the entirety of the Pre-Renovation Inspection.

Pre-Construction

HVAC Compliance Review: Ventilation, Load Calculation and Duct Design

Viridiant's HVAC Load Calculation Review helps prevent space heating and cooling equipment over-sizing, which could reduce equipment costs, prevent moisture and resident comfort issues, and improve HERS energy performance. Viridiant will review the following for program and performance compliance, and provide the Project Team with detailed feedback concerning any

- Manual J load calculations
- Manual D duct design
- Review mechanical fresh air ventilation strategy

Project Team Responsibilities:

- Provide Viridiant with a copy of the load calculations, duct design (if applicable), and mechanical fresh air ventilation strategy prior to the design review meeting. The design review meeting cannot be held until Viridiant has reviewed the submitted load calculations, duct design (if applicable), and mechanical fresh air ventilation strategy and concluded they are compliant with program requirements.

Design Review

Viridiant will:

- Update unit-level energy models per RESNET Multifamily Modeling Guidelines to assess whether predicted energy performance meets ECMF and HERS performance requirements.
- Meet with key stakeholders to discuss project comments and answer questions.
- Establish existing benchmarks, energy and environmental goals for the project.
- Review the ECMF workbook and program requirements with the Project Team.
- Communicate suggested modifications that should be incorporated to reach certification.

- Provide an overview of the energy model analysis results and HVAC compliance
- Provide meeting minutes summarizing the design review to the Project Team.
- Provide one update to the energy models pending design review feedback and design changes. Additional energy model changes due to design changes and/or value management will be billed an hourly rate.

Project Team Responsibilities:

- No later than the completion of 85% Design Documents, contact Viridiant to schedule the Design Review Meeting and submit project documents including the draft ECMF Workbook (Cover Sheet and Worksheet should be filled out by the Project Team), drawings, the [Viridiant Specifications Sheet](#), and construction schedule. Drawings should include, but not limited to: architectural, mechanical, plumbing, and electrical plans; building level floor plans, unit level floor plans with dimensions, unit matrix, detailed wall sections, elevations (interior and exterior); window and door schedules.
- Provide Viridiant with at least two weeks prior to the meeting to review project documents and complete the energy models. When scheduling the Design Review meeting the Project Team should consider any applicable funding deadlines or internal project deadlines.
- The developer and/or general contractor is responsible for organizing all applicable design team members as identified by the development team and/or Viridiant staff.

Pre-Drywall

Construction Kick-off Meeting

Viridiant Technical Advisor (TA) will:

- Review the program requirements and goals on-site with the general contractor's project manager and site supervisor, and any subcontractors identified by the project team whose work will be impacted by these goals. Meet with all appropriate contractors invited to the meeting to outline expectations and answer questions.
- Identify possible building envelope issues (including both air sealing and insulation) not noted at the plan review stage and work with the general contractor and appropriate subcontractors to suggest appropriate modifications or corrections.
- Verify on-site erosion control measures (if applicable).

Project Team Responsibilities:

- It is the developer and/or general contractor's responsibility to schedule the Construction Kick-off Meeting. This meeting should be held prior to new work beginning on the project. This meeting cannot be held until the Design Review has been completed.

Inspections

Viridiant TA will:

- For Renovation projects, visit the property prior to demolition to finish performing Pre-Renovation building diagnostic tests (duct blaster and blower door) on 10% of the units (each unit type if available). In order to do so, Viridiant will need access to a sampling of 10% of the units (minus the number of units tested at Pre-Review).

- In accordance with RESNET Sampling Protocols, conduct visual inspections for a sampling of units to verify program compliance of: mechanical equipment and duct systems at rough-in for Manual J load calculation sizing and Manual D duct design; duct sealing measures; insulation application to identify possible insulation coverage and envelope issues, and to assess an insulation installation grading.
- Perform total leakage duct pressure tests on unit-level duct systems for a sampling of unit types (not to exceed 4 units) for informational purposes and contractor education prior to the final installation of drywall. Quantify total duct loss and identify leaks and possible “weak points” in the sampled systems. Review the identified issues with the HVAC subcontractor on site or through written reporting.
- Perform unit envelope airtightness tests on 2 units for informational purposes and contractor education. Quantify total unit envelope airtightness and identify areas for air sealing.
- Verify ECMF Workbook and energy model input compliance.
- Produce an inspection report noting any specific deficiencies, identifying problem areas and suggesting corrective measures. Review this report with established

Project Team Responsibilities:

- The general contractor is responsible for scheduling inspections at the appropriate time. Details of required inspections will be provided at the Construction Kick-off meeting. Viridiant is not responsible for unit or building failure due to late scheduling or failure to schedule by the Project Team.
- Viridiant may require the builder to submit photo documentation to further verify the above measures.

Project Closeout

Final Diagnostic Assessment and Visual Verification Visits

Viridiant TA will:

- After qualifying for sampling and in accordance with RESNET Sampling Protocols, conduct unit-level blower door, duct blaster, whole-house mechanical ventilation, local mechanical exhaust (including bath and kitchen), and bedroom pressure testing to verify the units meet established envelope infiltration, duct leakage, fan flow rate, and pressure goals.
- Visually verify installed fixtures and appliances consistent with efficiencies specified for the project in units tested.
- Verify ECMF Workbook and energy model input compliance.
- Produce inspection report noting any specific deficiencies, identifying problem areas, and suggesting corrective measures. Review this report with the General Contractor, Developer and the appropriate subcontractor.

Project Team Responsibilities:

- The general contractor is responsible for scheduling final diagnostic inspections and visual verification visits when appropriate. Details of required inspections will be provided at the Construction Kick-off meeting. Viridiant is not responsible for unit or building failure due to late scheduling or failure to schedule by the Project Team.

- The project team must provide an accessible way for ventilation testing to occur in each dwelling unit.
- If units are occupied the Project Team must prepare the unit prior to final tests. This means alerting the tenants before the TA arrives and ensuring the unit is ready for the inspection with all pets crated. This also includes moving all furniture blocking wall registers or directly underneath ceiling registers, ensuring the mechanical closet is accessible and unlocked, ensuring the water heater is accessible and unlocked, and ensuring there are no additional impediments that would limit the ability to perform the final test. Viridiant will not be able to move any items in order to complete the inspection. A representative from the Project Team must remain on-site during the entirety of the final inspections.

Final Review and Certification

Viridiant will:

- Review all project documentation submissions to date submitted by the Project Team.
- Verify the final ECMF Workbook including a summary of the current project worksheet point totals based on documentation submittals and in-field verification completed to date.
- Update unit-level energy modeling at project completion to ensure it reflects as-built building conditions and required efficiency levels are being met.
- Provide additional written feedback on project verification documentation, if needed. To achieve certification, the project must successfully pass all program requirements and required performance testing.
- Once outstanding requirements and point items have been reviewed and marked complete, the team will be sent a copy of the final ECMF Workbook to sign and return. By signing the ECMF Workbook document, the team agrees with the level of certification achieved and all documented items will go on record for that project's final accomplishments. An ECMF plaque will be awarded and is included in the costs of certification. The plaque typically takes 5-6 weeks to arrive once certification is achieved.

Project Team Responsibilities:

- For items that could not be field-verified, it may be necessary for the Project Team to supply further documentation to Viridiant including but not limited to official project name (for certification documents), product literature, photographs, order forms, plan details, etc. It is the Project Team's responsibility to provide such items to ensure the final energy models are able to be generated and ensure the project can earn ECMF certification.

Appendix Z

ZERO ENERGY READY HOME PROGRAM OVERVIEW



Zero Energy Ready Home (ZERH) is a national energy efficiency program developed by the Department of Energy for use by single family homes and multifamily projects. Earning ZERH certification indicates that a project has met all of the requirements of the ZERH program, including certification under the ENERGY STAR program (either Homes or Multifamily New Construction) and Indoor airPLUS program. Projects earning ZERH certification demonstrate leadership in increasing energy efficiency and indoor air quality.

ZERO ENERGY READY HOME GOALS

Gosnold II Apts will seek to achieve certification under the ZERH program, utilizing the associated checklists and appropriate revision version of those checklists.

SCOPE OF SERVICES

In order to verify compliance with ZERH for all units at Gosnold II Apts Viridiant will perform the following scope of services in accordance with the RESNET and ANSI Standards for generating Sampled HERS Ratings.

Pre-Construction

Project Registration, Information Submittal, and Preliminary Energy Models

Upon the project's registration and submittal of project information, Viridiant will:

- Review of the project drawings and specifications for compliance with the ZERH and Indoor airPLUS programs and provide feedback.
- Provide written feedback on whether the project meets the HERS index requirements.
- The intent of the feedback is to confirm the Project Team understands important certification requirements and that the project's scope of work is on track to meet ZERH requirements.

Project Team Responsibilities:

- Register the project and submit project information and documents including: contact information; drawings that contain floor plans, elevations, and wall section(s); the [Viridiant Specifications Sheet](#). The Multifamily Project Registration form available on Viridiant's website: <https://www.viridiant.org/residential-programs/multifamily/>
- Register as a ZERH Partner at <https://www5.eere.energy.gov/buildings/residential/register/> and attend the ZERH Orientation webinar.

Design Review

Viridiant will:

- Review the ZERH and Indoor airPLUS checklists and program requirements with the Project Team.

- Discuss project comments and answer questions related to ZERH and Indoor airPLUS compliance.
- Provide an overview of the energy model analysis results.
- Include any relevant notes in the Design Review meeting minutes.

Project Team Responsibilities:

- No later than the completion of 85% Design Documents, contact Viridiant to schedule the Design Review Meeting and submit project documents including the drawings, the [Viridiant Specifications Sheet](#), and construction schedule. Drawings should include, but not limited to: architectural, mechanical, plumbing, and electrical plans; building level floor plans, unit level floor plans with dimensions, unit matrix, detailed wall sections, elevations (interior and exterior); window and door schedules.
- Provide Viridiant with at least two weeks to complete this review. The Project Team should consider any applicable funding deadlines or internal project deadlines when determining when to submit for Design Review.
- The developer and/or general contractor is responsible for organizing all applicable design team members as identified by the development team and/or Viridiant staff.

Pre-Drywall

Construction Kick-off Meeting

Viridiant Technical Advisor (TA) will:

- At the kick-off for the primary certification, review the program requirements and goals on-site with the general contractor's project manager and site supervisor, and any subcontractors identified by the project team whose work will be impacted by these goals. Meet with all appropriate contractors invited to the meeting to outline expectations and answer questions. If a separate meeting or kick-off for ZERH or Indoor airPLUS is requested, hourly fees will apply.

Project Team Responsibilities:

- It is the developer and/or general contractor's responsibility to schedule the Construction Kick-off Meeting. This meeting should be held prior to new work beginning on the project. This meeting cannot be held until the Design Review has been completed.

Inspections

Viridiant TA will:

- In accordance with RESNET Sampling Protocols, conduct visual inspections for a sampling of units to verify program compliance with the mandatory foundation, envelope, and duct system requirements.
- Produce an inspection report noting any specific deficiencies, identifying problem areas and suggesting corrective measures. Review this report with established
- Verify applicable ZERH and Indoor airPLUS checklist items.

Project Team Responsibilities:

- The general contractor is responsible for scheduling inspections at the appropriate time. Viridiant is not responsible for unit or building failure due to late scheduling or failure to schedule by the Project Team.
- Viridiant may require the builder to submit photo documentation to further verify the above measures.

Project CloseoutFinal Diagnostic Assessment and Visual Verification Visits

Viridiant TA will:

- In accordance with RESNET Protocols, verify water efficiency, lighting & appliances, HVAC, pest, and non-smoking requirements.
- Verify ZERH and Indoor airPLUS checklist compliance.
- Produce inspection report noting any specific deficiencies, identifying problem areas, and suggesting corrective measures. Review this report with the General Contractor, Developer and the appropriate subcontractor.

Project Team Responsibilities:

- The general contractor is responsible for scheduling final inspections and visual verification visits when appropriate. Details of required inspections will be provided at the Construction Kick-off meeting. Viridiant is not responsible for unit or building failure due to late scheduling or failure to schedule by the Project Team.
- When hot water delivery system testing is required, the general contractor is responsible for ensuring no hot water is used in the units for 1 hour prior to testing.
- If units are occupied the Project Team must prepare the unit prior to final tests. This means alerting the tenants before the TA arrives and ensuring the unit is ready for the inspection with all pets crated. This also includes moving all furniture blocking access to items requiring testing or verification, ensuring the mechanical closet is accessible and unlocked, ensuring the water heater is accessible and unlocked, and ensuring there are no additional impediments that would limit the ability to perform the final test and inspection. Viridiant will not be able to move any items in order to complete the inspection. A representative from the Project Team must remain on-site during the entirety of the final inspections.

Final Review and Certification

Viridiant will:

- Review all project documentation submissions to date submitted by the Project Team.
- Verify the final ZERH and Indoor airPLUS checklists and associated documentation.
- Provide additional written feedback on project verification documentation, if needed. To achieve certification, the project must successfully pass all program requirements and required performance testing.
- Once outstanding requirements have been reviewed and marked complete, the team will be sent a copy of the final checklists to sign and return.

Project Team Responsibilities:

- For items that could not be field-verified, it may be necessary for the Project Team to supply further documentation to Viridian including but not limited to official project name (for certification documents), product literature, photographs, order forms, plan details, etc. It is the Project Team's responsibility to provide such items to ensure the final energy models are able to be generated and ensure the project can earn ZERH and Indoor airPLUS certification.

INVOICING

At the issuance of the contract, Viridiant will submit an invoice for the retainment of services outlined in the scope of work above. The Retainer fee is non-refundable. If it is not paid within 60 days of contract signing, the contract will be voided. The balance of the fixed-fee contract costs will be billed in three separate invoices of \$8400 prior to each applicable service being performed. Monthly invoices will be sent for hourly work performed. If additional services are selected, they will be invoiced with the monthly invoices. The project will not be certified until all fees are paid in full.

TERMS AND CONDITIONS

Refer to Exhibit A for the standard terms and conditions applicable to the services proposed by Viridiant.

AUTHORIZATION

Viridiant appreciates the opportunity to provide Green Building Verification Services. If this contract meets your approval, please sign and date in the space provided below and return a copy to Viridiant thereby authorizing us to proceed. By signing this contract, you agree to pay Viridiant for services provided as outlined above. Thanks for your continued efforts in transforming the market for high performance construction.

Signed by:

329EDDDCDB3C4A2...
Signed/Support Works Housing _____

5/14/2025
Date _____

Elliot Warsof

ewarsof@supportworkshousing.org

Support Works Housing Billing Contact Name

Billing Contact Email

If invoices should be sent to a separate email address: _____

Invoicing Email Address

Parties Authorized to Add Additional Services (<i>commonly the architect, general contractor, project manager, etc</i>)	
Name	Name
Name	Name

Signed/Viridiant

May 7, 2025
Date _____

Viridiant reserves the right to revise this contract if it is not completed and returned within 30 days of the date issued.

Exhibit A**INDEMNITY**

While every effort is made by Viridiant to provide the most accurate and informed services possible, their implementation is beyond the control of Viridiant. Viridiant does not bear any liability for the sufficiency, quality, preparation, or comprehensiveness of the final design or for the construction of the project in accordance with the approved final design. Viridiant shall not have control over, nor be responsible for, the construction means or methods, construction techniques, construction sequencing, or for safety precautions required of the project. Viridiant is not responsible for the final ruling provided by any certifying body or organization.

Viridiant is not and shall not act as the Architect of Record nor shall it act as the Engineer of Record for the project. All final determinations as to compliance with the applicable codes and standards shall be reviewed and approved by the Architect of Record or the Engineer of Record as may be required under applicable codes and standards and the Authority Having Jurisdiction.

Viridiant's site reviews are for the limited purpose of assisting the Architect of Record or Engineer of Record or Contractor in verifying the construction of the project in the context RESNET Rating Requirements and Project Team selected components and does not absolve the Architect of Record, Engineer of Record, or Contractor from carrying out all construction in accordance to the contract documents and applicable codes and standards. By reason of its site reviews or observations of the work in progress, Viridiant shall not supervise, direct, or have control over the work, nor shall Viridiant have authority over or responsibility for the means, methods, techniques, sequences, or the work of the Contractor or for any failure of the Contractor to comply with the laws, rules, regulations, ordinances, codes, or orders applicable to the Contractor furnishing and performing the work of Architect of Record or Engineer of Record supervising the works. Viridiant does not guarantee the performance of the Contractor and does not assume any responsibility for the Contractor's failure to furnish and perform the work in accordance with the contract documents.

Except in the case of professional negligence in the delivery of its services, the client and its successors will indemnify and hold harmless Viridiant against any and all claims regarding the quality, certification, and level of performance of the project and any recommendations implemented by the client, operators, or their agents.

Invoicing Terms

Viridiant contract installments are invoiced with terms set at Net 30, meaning payment is due within 30 days of the invoice date. 2% interest will begin accruing monthly 45 days after the invoice date (15 days late). If payment is not received prior or on the 60th day after the invoice date, Viridiant will place a STOP WORK order on the project. A fee of \$600 will be charged to remove a STOP WORK order. On-site inspections and any other contract work will not resume until the invoice amount, interest, and \$600 fee are remunerated in full. Please note that as Viridiant is required to perform verification on projects at critical stages of construction, a stop work order could preclude the ongoing project's ability to certify. Please direct any inquiries concerning this matter to Viridiant's Director of Finance and Administration.

Communications

Unless you tell us otherwise, we will send all correspondence and statements for services related to this representation to Support Works Housing in care of you. We will depend on you to let us know if Support Works Housing is not receiving information or responses in a timely manner. We understand unless advised otherwise that we may communicate concerning this matter by fax, cell phone, e-mail, or letter.

Risks

If the project is not certified within 2 years of the contract signing date, then the fixed fee and estimated fee rates will be subject to revision based on changes in economic conditions.

If a project pursues certifications, funding sources, or credits after the contract is ratified, the scope or level of effort may change, leading to additional costs not covered by the estimated fees in this proposal. (Ex. 45L and HIEE)

RESNET initiated modifications to sampling and testing protocol may impact estimated fees.

Projects that have started construction prior to a formal design review and construction kickoff meetings are at risk for certification-related requirements impacting project costs and timelines.

If the project is priced for an individual certification program and it is determined the dwelling unit design dictates it will require an additional program version be evaluated and certified in order to qualify, it could lead to additional costs not covered by the estimated fees in this proposal. (Ex. Apartment Building, Duplexes, and Townhomes: Single Family vs. Multifamily pathways for Energy Star or ZERH)

End Exhibit A.

Tab G:

Zoning Certification Letter (MANDATORY)

Zoning Certification

DATE: March 3, 2026

TO: Virginia Housing
 601 South Belvidere Street
 Richmond, Virginia 23220

RE: ZONING CERTIFICATION

Name of Development: Gosnold II Apartments

Name of Owner/Applicant: Gosnold II Apartments, LLC

Name of Seller/Current Owner: Gosnold Apartments, LLC

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

DEVELOPMENT DESCRIPTION:

Development Address:

2425 Gosnold Avenue, Norfolk, VA 23517 together with the parking lot at 2400 and 2408 Gosnold Avenue, Norfolk, VA 23517

Legal Description:

Parcel 1: Gosnold II Apartments will be developed on an approximately .9618 acre parcel located in the City of Norfolk, Virginia identified as Tax Parcel ID No. 1428840815, and further described in the attached Exhibit A.

Parcel 2 and 3: A parking lot dedicated to Gosnold II apartments will be developed on an approximately .2792 acres containing two parcels in the City of Norfolk, Virginia identified as Tax Parcel ID No. 1428841894 and ID No. 1428841764, and further described in the attached Exhibit A.

Proposed Improvements:

<input checked="" type="checkbox"/> New Construction:	<u>up to 56</u>	# Units	<u>1</u>	# Buildings	<u>35,953.38</u>	Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:		# Units		# Buildings		Total Floor Area Sq. Ft.
<input checked="" type="checkbox"/> Rehabilitation:	<u>44</u>	# Units	<u>1</u>	# Buildings	<u>25,300.17</u>	Total Floor Area Sq. Ft.

Zoning Certification, cont'd

Current Zoning: Conditional IN-1 (Institutional) allowing a density of up to 104.33 units per acre, and the following other applicable conditions: Subject to conditions proffered under Ordinance No. 48627, which amended the proffers under Ordinance Nos. 41844 and 41845

Other Descriptive Information:

Gosnold II Apartments, forty-four rehabilitated and up to fifty-six new construction studio apartments with on-site supportive services plus one resident night-monitor unit, will be a blend of units for homeless and low-income individuals in the Tidewater region.

LOCAL CERTIFICATION:

Check one of the following as appropriate:

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

JM Kirch-Kelling
Signature

Joy M Kirch-Kelling
Printed Name

Planner II

Title of Local Official or Civil Engineer

757-943-0531

Phone:

3/3/2026

Date:

NOTES TO LOCALITY:

1. Return this certification to the developer for inclusion in the tax credit application package.
2. Any change in this form may result in disqualification of the application.
3. If you have any questions, please contact the Tax Credit Allocation Department at taxcreditapps@virginiahousing.com.

EXHIBIT A
LEGAL DESCRIPTION

PARCEL ONE – LOTS 10-17; LOT 19 AND LOTS 20-25 IN BLOCK 24 – OLD DOMINION PLACE:

All those certain lots, pieces or parcels of land lying and being in the City of Norfolk, State of Virginia, and known, numbered and designated as Lots 10 through 17, Lot 19 and Lots 20 through 25 all in Block 24, on the Plat of Old Dominion Place, which plat is duly recorded in the Circuit Court of the City of Chesapeake (formerly Norfolk County), Virginia, in Map Book 5, at pages 2 and 3. Reference to which is hereby made for a more particular description of said property.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from W. E. Kyle, Substitute Trustee, dated January 22, 1946, recorded in Deed Book 453, page 603.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from T. C. Clarke and Gladys B. Clarke, his wife, dated January 2, 1941, recorded in Deed Book 366A, page 213.

(As to Lot 19:) IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING CO., INC., a Virginia corporation by deed from American Sheet Metal Corporation, dated March 30, 1962, recorded in Deed Book 899, page 434.

PARCEL TWO LOTS A AND C IN BLOCK 27, OLD DOMINION PLACE

All that certain lot, piece or parcel of land, together with the appurtenances thereunto belonging, lying, situate and being in the City of Norfolk, Virginia, and being known, numbered and designated as Lots A and C, as shown on that certain plat entitled, "RESUBDIVISION OF LOTS 1-6 AND 20-25 BLOCK 27, OLD DOMINION PLACE, NORFOLK, VIRGINIA", which plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, in Map Book 53, at page 48, reference to said plat being made for a more particular description of the said property.

IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING COMPANY, INC. by deed from Joel C. McPhaul and Eleanor J. McPhaul, dated May 27, 1970, recorded in Deed Book 1165, page 174.

Tab H:

Attorney's Opinion (MANDATORY)

WILLIAMS MULLEN

Direct Dial: 804.420.6585
Inowlin@williamsmullen.com

March 12, 2026

TO: Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2026 Tax Credit Reservation Request (competitive 70% present value credits)

Name of Development: Gosnold II Apartments
Name of Owner: Gosnold II Apartments, LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated March 12, 2026 (of which this opinion is a part) (the “**Application**”) submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits (“**Credits**”) available under Section 42 of the Internal Revenue Code of 1986, as amended (the “**Code**”). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the “**Regulations**”).

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section in the Application form.
4. The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.
5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for a period of not less than four (4) months beyond the application deadline.

6. Based solely upon my review of (i) the Applicant's operating agreement; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (none of which are attached to this Opinion), the individuals identified on the list attached as Exhibit A are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

7. 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.

8. The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

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

10. After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code 42(d)(2)(B) are not correct.

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

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("**Virginia Housing**") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by Virginia Housing 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


By: 
Name: Lauren D. Nowlin, Esq.
Its: Shareholder

EXHIBIT A
TO
ATTORNEY'S OPINION LETTER

Based solely upon my review of (i) the Applicant's operating agreement; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (*none of which are attached to this Opinion or included within this Exhibit*), the individuals identified below are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

	NAME	TITLE
1	Allison Bogdanovic	Executive Director, SupportWorks Housing, a Virginia nonstock corporation, Managing Member of Gosnold II Managing Member, LLC, a Virginia limited liability company, Managing Member of the Applicant
2	Jason Snook	Authorized Signatory, SupportWorks Housing, a Virginia nonstock corporation, Managing Member of Gosnold II Managing Member, LLC, a Virginia limited liability company, Managing Member of the Applicant

WILLIAMS MULLEN

Direct Dial: ~~804.420.6915~~804.420.6585
adomson@williamsmullen.com

~~[Insert Date]~~
March 12, 2026

TO: Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2026 Tax Credit Reservation Request (competitive 70% present value credits)

Name of Development: Gosnold II Apartments
Name of Owner: Gosnold II Apartments, LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated ~~_____~~ March 12, 2026 (of which this opinion is a part) (the “**Application**”) submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits (“**Credits**”) available under Section 42 of the Internal Revenue Code of 1986, as amended (the “**Code**”). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the “**Regulations**”).

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.

~~2.~~ [Select One]

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.

OR

~~Assuming that you designate the buildings in the Development as being in a difficult development area pursuant to Code Section 42(d)(5)(B)(v), 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. ~~{Select One}~~

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.~~

~~OR~~

~~The information set forth in the Unit Details section of the Application form as to proposed rents~~ exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.

5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for a period of not less than four (4) months beyond the application deadline.

6. Based solely upon my review of (i) the Applicant's ~~{operating agreement/ partnership agreement}~~; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (none of which are attached to this Opinion), the individuals identified on the list attached as Exhibit A are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

7. ~~{Delete if inapplicable}~~ 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.

8. ~~{Delete if inapplicable}~~ The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

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

10. ~~{Delete if inapplicable}~~ After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code 42(d)(2)(B) are not correct.

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

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("**Virginia Housing**") to issue a reservation of Credits to the Owner.

Accordingly, it may be relied upon only by Virginia Housing 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


By: ^(Add) 
Name: Lauren D. Nowlin, Esq.
Its: Shareholder

EXHIBIT A
TO
ATTORNEY'S OPINION LETTER

Based solely upon my review of (i) the Applicant's ~~{operating agreement/
partnership agreement}~~; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (*none of which are attached to this Opinion or included within this Exhibit*), the individuals identified below are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

	NAME	TITLE
1	<u>Allison Bogdanovic</u>	<u>Executive Director, SupportWorks Housing, a Virginia nonstock corporation, Managing Member of Gosnold II Managing Member, LLC, a Virginia limited liability company, Managing Member of the Applicant</u>
2	<u>Jason Snook</u>	<u>Authorized Signatory, SupportWorks Housing, a Virginia nonstock corporation, Managing Member of Gosnold II Managing Member, LLC, a Virginia limited liability company, Managing Member of the Applicant</u>
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Summary report:	
Litera Compare for Word 11.13.0.54 Document comparison done on 3/10/2026 11:24:07 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://williamsmullen.cloudimage.com/iwovric/151259522/1 - 2026 VHDA 9% Opinion Form.docx	
Modified DMS: iw://williamsmullen.cloudimage.com/iwovric/151259648/1 - Gosnold - 2026 VHDA 9% Opinion.docx	
Changes:	
Add	17
Delete	23
Move From	0
Move To	0
Table Insert	0
Table Delete	18
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	1
Embedded Excel	0
Format changes	0
Total Changes:	59

Tab I:

Nonprofit Questionnaire (MANDATORY for points or pool)

NOTE: 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)

Nonprofit 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 nonprofit pool established under the Plan and assigning points for participation of a nonprofit 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

- a. Name of development Gosnold II Apartments
- b. Name of owner/applicant Gosnold II Apartments, LLC
- c. Name of nonprofit entity SupportWorks Housing
- d. Address of principal place of business of nonprofit entity
1900 Cool Lane, Suite B
Richmond, VA 23229

Indicate funding sources and amount used to pay for office space
General funds, grants, and program funds - ~\$75,000/year

- e. Tax exempt status 501(c)(3) 501(c)(4) 501(a)
- f. Date of legal formation of nonprofit (must be prior to application deadline) January 5, 1988
Evidenced by the following documentation Virginia Supportive Housing Articles of Incorporation,
Articles of Amendment of the Articles on Incorporation, IRS determination letter
- g. Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached) January 29, 2025
- h. Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation) SupportWorks Housing was founded in 1988 as a not-for-profit homeless services provider and community-development corporation with a mission to end homelessness by providing permanent housing with supportive services.
- i. Expected life (in years) of nonprofit In perpetuity

- j. Explain the anticipated future activities of the nonprofit over the next five years:
 To continue working towards our mission of ending homelessness by providing affordable, permanent housing and supportive services in Virginia through both new and existing programs and housing developments.
- k. How many full time, paid staff members does the nonprofit and, if applicable, any other nonprofit organization(s) ("related nonprofit(s)") of which the nonprofit is a subsidiary or to which the nonprofit is otherwise related have (i.e. by shared directors, staff, etc.)? 111
 How many part time, paid staff members? 17
 Describe the duties of all staff members:
 Duties of staff members include real estate development, construction management and supervision, financial and grants management, property management, supportive services, and mission advancement.
- l. Does the nonprofit share staff with any other entity besides a related nonprofit described above?
 YES NO If yes, explain in detail: _____
- m. How many volunteers does the nonprofit and, if applicable, any related nonprofit have?
 Approximately 300 per year
- n. What are the sources and manner of funding of the nonprofit? (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.
 In 2024 SupportWorks revenue was ~\$19.5M and expenses were ~\$22.3M. Sources of revenue included government grants, rental income and fees, gifts and contributions, developer fees, contract revenue, investment earnings, and assets released from restriction.
- o. List all directors of the nonprofit, their occupations, their length of service on the board, and their residential addresses See attached for additional information

2. Nonprofit Formation

a. Explain in detail the genesis of the formation of the nonprofit: SupportWorks was funded in 1988 by a group of of community volunteers concerned with the growing problem of homelessness in Richmond, VA and the lack of available, effective solutions. After identifying permanent supportive housing as an effective methods of reducing chronic homelessness, they opened New Clay House in 1992, Virginia's first SRO.

b. Is the nonprofit, 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: _____

c. 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 nonprofit?

YES NO If yes, explain in detail: _____

d. Does any for-profit organization or local housing authority have the right to make such appointments?

YES NO If yes, explain in detail: _____

e. Does any for profit organization or local housing authority have any other affiliation with the nonprofit or have any other relationship with the nonprofit in which it exercises or has the right to exercise any other type of control?

YES NO If yes, explain in detail: _____

f. Was the nonprofit formed by any individual(s) or for profit entity for the principal purpose of being included in the nonprofit Pool or receiving points for nonprofit participation under the Plan?

YES NO

g. Explain in detail the past experience of the nonprofit including, if applicable, the past experience of any other related nonprofit of which the nonprofit is a subsidiary or to which the nonprofit is otherwise related (by shared directors, staff, etc.) Please see SupportWorks Housing organizational resume and 2024 Annual Impact Report included in Tab D.

h. If you included in your answer to the previous question information concerning any related nonprofit, describe the date of legal formation thereof, the date of IRS 501(c)(3) or 501(c)(4) status, its expected life, its charitable purposes and its relationship to the non-profit.

N/A

3. Nonprofit Involvement

a. Is the nonprofit 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 nonprofit own at least 10% of the general partnership/owning entity?

YES NO

(ii) Will the nonprofit own 100% of the general partnership interest/owning entity?

YES NO

If no to either 3a.i or 3a.ii above, specifically describe the nonprofit's ownership interest

b. (i) Will the nonprofit be the managing member or managing general partner?

YES NO If yes, where in the partnership/operating agreement is this provision specifically referenced?

SupportWorks Housing is the sole and manging member of Gosnold II Managing Member, LLC, the managing member of Gosnold II Apartments, LLC, the owner. Please see the chart of the operating structure included in Tab A.

(ii) Will the nonprofit be the managing member or own more than 50% of the general partnership interest? YES NO

c. Will the nonprofit 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?
Please see Article XI. N. of the Operating Agreement of Gosnold II Apartments, LLC included in Tab A.

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:

d. Is the nonprofit 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 nature and extent of the nonprofit's proposed involvement in the construction or rehabilitation of the Development:

SupportWorks Housing staff members are responsible for all development activities.

(ii) Describe the nature and extent of the nonprofit'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):

SupportWorks Housing will be the management entity of Gosnold II Apartments, and will be responsible for all operations, management, and record keeping for the development throughout the Extended Use Period.

(iii) Will the nonprofit 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 :

Supportive Srvc Specialist: 2,080 hrs; Srvc Program Mgr: 520 hrs; Assoc Dir of Srvc: 260 hrs; Acct: 110hrs

Assoc Dir. of Finance: 18 hrs; Desk Clerks: 2,900 hrs; Senior PM: 604 hrs; Asst PM: 2,080 hours; Dir. of PM:

208 hrs; Maint Tech: 1,040 hrs; Maint Apprntce: 2,080 hrs; Maint Sprvsr: 604 hrs; Asset Comp Mgr: 604 hrs

e. Explain how the idea for the proposed development was conceived. For example, was it in response to a need identified by a local neighborhood group? Local government? Board member?

Housing needs study? Third party consultant? Other?

SupportWorks Housing opened Gosnold Apartments in 2006 as Virginia's first regional supportive housing community. SupportWorks in collaboration with multiple localities, community partners, and the continuum of care, identified a need for the renovation of the existing units as well as the need for additional, affordable low-cost, permanent housing with supportive services.

f. List all general partners/managing members of the Owner of the Development (one must be the nonprofit) and the relative percentages of their interests:

Gosnold II Apartments, LLC is the ownership entity. Gosnold II Managing Member, LLC is the managing member with 0.01% ownership. SupportWorks Housing (SWH) is the investor member with 99.99% ownership. SWH is the sole member of the managing member. Allison Bogdanovic is the Executive Director of SWH.

g. If this is a joint venture, (i.e. the nonprofit 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.

N/A

h. 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.

SupportWorks will contract for construction management services on an as needed basis.

(ii) Explain how this relationship was established. For example, did the nonprofit solicit proposals from several for-profits? Did the for-profit contact the nonprofit and offer the services?

In the event that construction management services are needed, SupportWorks will solicit proposals from several for-profits in accordance with procurement standards.

i. Will the nonprofit 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.

j. Will any portion of the developer's fee which the nonprofit 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.

k. 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:

l. Will any member of the board of directors, officer, or staff member of the nonprofit participate in the development and/or operation of the proposed development in any for-profit capacity?

YES NO If yes, explain:

m. 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:

N/A

n. Is the nonprofit involving any local, community based nonprofit organizations in the development, role and operation, or provision of services for the development? YES NO If yes, explain in detail, including the compensation for the other nonprofits amount and timing of such payments.

4. Virginia and Community Activity

a. Has the Virginia State Corporation Commission authorized the nonprofit to do business in Virginia?
 YES NO

b. Define the nonprofit's geographic target area or population to be served:

SupportWorks Housing serves low-income individuals and families, and those experiencing homelessness and housing instability throughout Virginia, including the Charlottesville, Richmond, and Virginia Beach-Norfolk-Newport News MSAs.

c. Does the nonprofit or, if applicable, related nonprofit 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:

For 37 years SupportWorks Housing has been developing and providing permanent, affordable housing and supportive services for low-income individuals and those experiencing homelessness in VA. SWH opened Gosnold Apartments in 2006, Cloverleaf Apartments in 2008, South Bay Apartments in 2010, Heron's Landing in 2012, Crescent Square in 2016, and Church Street Station Studios in 2017, for a total of 140 low-income units in the city of Norfolk and a total of 400 units in Hampton Roads.

d. Does the nonprofit's by laws or board resolutions provide a formal process for low income, program beneficiaries to advise the nonprofit on design, location of sites, development and management of affordable housing? YES NO If yes, explain

e. Has the Virginia Department of Agriculture and Consumer Services (Division of Consumer Affairs) authorized the nonprofit to solicit contributions/donations in the target community?

YES NO

f. Does the nonprofit have demonstrated support (preferably financial) from established organizations, institutions, businesses and individuals in the target community?

YES NO If yes, explain:

SupportWorks has commitments of permanent funding from the Hampton Roads Community Foundation, the City of Norfolk and the City of Chesapeake. SupportWorks also has commitments of rental assistance from both the Norfolk and Chesapeake Housing Authorities.

g. Has the nonprofit 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 meeting dates, meeting locations, number of attendees and general discussion points:

SupportWorks met with the Railroad Business District on 10/18/2021 and the Park Place Civic League on 10/20/2021. Solicited input, including improvements to the surface parking lot, was incorporated into the rezoning request and subsequent approved ordinance.

h. 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

i. 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

j. 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:

The Board of Directors meets every other month of the 1st Tuesday of the month at noon. Meeting are held in locations that are both accessible and open to the public.

k. Has the nonprofit 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

l. Has the nonprofit been awarded state or local funds for the purpose of supporting overhead and operating expenses? YES NO If yes, explain in detail:

SupportWorks has received state and local funding to be used for program-specific supportive services, operational, and administrative expenses.

m. Has the nonprofit been formally designated by the local government as the principal community-based nonprofit housing development organization for the selected target area?

YES NO If yes, explain:

n. Has the nonprofit 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 nonprofit'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).

o. Has the nonprofit 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).

S. Bay Apts, Portsmouth, PIS 2010; Studios of South Richmond, PIS 2011; Crossings, Charlottesville, PIS 2012; Herons Landing, Chesapeake, PIS 2012; Crescent Square, VA Bch, PIS 2015; Studios II, Richmond, PIS 2016; Church St Station Studios, Norfolk, PIS 2017; New Clay II, Richmond, PIS 2019; Cool Lane, Henrico, PIS 2023

p. To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before? YES NO If yes, explain:

Gosnold Apartments received Low Income Housing Tax Credits in 2005. Gosnold II Apartments received a reservation of Low Income Housing Tax Credits in 2022 and 2024.

q. Has the nonprofit been an owner or applicant for a development that has received a reservation in a previous application round from the Virginia Housing Partnership or the Virginia Housing Funds?

YES NO If yes, explain:

NCH-VHP+VH funds. South Richmond SRO-VHP funds; 3rd Ave. Apts.-VHP funds; Cloverleaf Apts.-VH funds; The Crossings at 4th and Preston-VH funds; Crescent Square-VH funds; Studios II-VH funds; Church St Station Studios-VH funds;NCHII-VH funds;Cool Lane Apts-VH funds;Premier Circle PSH-VH funds;Gosnold II-VH funds

r. Has the nonprofit 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:

s. Has the nonprofit completed a community plan that (1) outlines a comprehensive strategy for addressing identified community housing needs, (2) offers a detailed work plan and timeline for implementing the strategy, and (3) documents that the needs assessment and comprehensive strategy were developed with the maximum possible input from the target community?

YES NO If yes, explain the plan:

5. Attachments

Documentation of any of the above need not be submitted unless requested by Virginia Housing.

The undersigned Owner and nonprofit 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 nonprofit participation contained in the Plan or Section 42 of the Internal Revenue Code.

Date March 6, 2025

Owner/Applicant Gosnold II Apartments, LLC

By Allison Bogdanovic

Its Executive Director of the MM of Gosnold II Managing Member, LLC
Title

Date March 6, 2025

SupportWorks Housing
Nonprofit

Signed by:
By *Kathy Robertson*
21B57A89A9114E5...
Board Chairman

Signed by:
By *Allison Bogdanovic*
329EDDDCD83C4A2...
Executive Director

Gosnold II Apartments

Non-Profit Questionnaire: Additional Information

1. General Information

- Date of legal formation of non-profit; evidenced by the following documentation:
 - SupportWorks Housing Articles of Incorporation
 - SupportWorks Housing Articles of Amendment of the Articles of Incorporation
 - IRS Nonprofit Determination Letter
 - List of Board Members

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 propoganda, 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



Form
SCC888N
 (Rev. 03/22)

State Corporation Commission

**ARTICLES OF AMENDMENT
 CHANGING THE NAME OF A VIRGINIA
 NONSTOCK CORPORATION
 By Unanimous Consent of the Members or by the
 Directors Without Member Action**

Commonwealth of Virginia
 State Corporation Commission
 Office of the Clerk
 Entity ID: 03151776
 Filing Number: 2409097665422
 Filing Date/Time: 09/09/2024 11:32 AM
 Effective Date/Time: 09/17/2024 04:06 PM

The undersigned, on behalf of the corporation set forth below, pursuant to § 13.1-888 of the Code of Virginia, executes these articles and states as follows:

1. The current name of the corporation is Virginia Supportive Housing

2. The name of the corporation is changed to SupportWorks Housing

3. The foregoing amendment was adopted on 2/06/24 (mark appropriate box):
 (date)

By the unanimous consent of the members with voting rights.

OR

By a vote of at least two-thirds of the directors in office. Member action on the amendment was not required because (mark appropriate box):

There are no members;

OR

There are no members with voting rights.

** To be effective September 17, 2024.

Executed in the name of the corporation by:

/S/ Allison Bogdanovic
 (signature)

9/04/24
 (date)

Allison Bogdanovic
 (printed name)

Chairman
 (corporate title)

ID: 03151776
 (corporation's SCC ID no.)

(telephone number (optional))

(The execution must be by the chairman or any vice-chairman of the board of directors, the president, or any other of its officers authorized to act on behalf of the corporation.)

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION**

AT RICHMOND, SEPTEMBER 9, 2024

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

SupportWorks Housing

(formerly known as VIRGINIA SUPPORTIVE HOUSING)

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

CERTIFICATE OF AMENDMENT

be issued and admitted to record with the articles of amendment in the Office of the Clerk of the Commission, effective September 17, 2024.

The corporation is granted the authority conferred on it by law in accordance with the articles, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

A handwritten signature in black ink, appearing to read "Samuel T. Towell". The signature is fluid and cursive, with a long horizontal stroke at the end.

By

Samuel T. Towell
Commissioner

PHILADELPHIA PA 19255

In reply refer to: 0752439903
Jan. 29, 2025 LTR 4168C 0
54-1444564 000000 00
Input Op: 3552439606 00015993
BODC: TE

SUPPORTWORKS HOUSING
% CYNDIE RONEY/LYNDA P
1900 COOL LANE STE B
RICHMOND VA 23223-3912

Employer ID number: 54-1444564
Form 990 required: YES

Dear SUPPORTWORKS HOUSING:

We're responding to your request dated Jan. 17, 2025, about your tax-exempt status.

We issued you a determination letter in 198807, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(03).

We also show you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Section 509(a)(2).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If you're required to file a return, you must file one of the following by the 15th day of the 5th month after the end of your annual accounting period:

- Form 990, Return of Organization Exempt From Income Tax
- Form 990EZ, Short Form Return of Organization Exempt From Income Tax
- Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990-EZ
- Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

According to IRC Section 6033(j), if you don't file a required annual information return or notice for 3 consecutive years, we'll revoke your tax-exempt status on the due date of the 3rd required return or notice.

You can get IRS forms or publications you need from our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, call 877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific

0752439903
Jan. 29, 2025 LTR 4168C 0
54-1444564 000000 00
Input Op: 3552439606 00015994

SUPPORTWORKS HOUSING
% CYNDIE RONEY/LYNDA P
1900 COOL LANE STE B
RICHMOND VA 23223-3912

time).

Thank you for your cooperation.

Sincerely yours,

Ms. Hanks

Ms. Hanks
Operations Manager - AMP03



2026 Board of Directors

Executive Committee

Kathy Robertson, President
Community Volunteer
Board Term: 2020-2025
112 North Auburn Avenue
Richmond, VA 23221
Home: (804) 467-6771
kdeerobertson10@gmail.com

Andrew Sherrod, Vice President
Hirschler
Board Term: 2019-2024
311 Lexington Road
Richmond, VA 23226
Cell: (804) 306-1085
asherrod@hirschlerlaw.com

Joshua Ragland, Treasurer
Visa
Board Term: 2021-2026
6192 Treywood Lane
Manassas, VA 20112
Cell: (804) 389-0143
raglandjg@gmail.com

Members at Large

Curtis Carter
Thalhimer
Board Term: 2019-2025
7712 Dartmoor Rd.
Richmond, VA 23229
Cell: (804) 387-1669
curt.carter@thalhimer.com

Tanisha Davis

Virginia Beach Community
Development Corp.
Board Term: 2023-2028
4560 Marlwood Way
Virginia Beach, VA 23462
Cell: (757) 575-9498
tanishad81@gmail.com

Kaki Dimock

Albemarle Department of Social
Services
Board Term: 2023-2028
7714 Secretarys Sand Road
Schuyler, VA 22969
Cell: (434) 906-1691
kdimock@albemarle.org

Andrew Heatwole

Ripley Heatwole Company, Inc.
Board Term: 2018-2025
4305 Alfriends Trail
Virginia Beach, VA 23455
Cell: (757) 635-1115
aheatwole@ripheat.com

Leslee Oliver

VHB
Board Term: 2021-2026
2705 Jefferson Park Ave
Charlottesville, VA 22903
Cell: (843) 617-8337
leslee.purpura@gmail.com

Sharon Patrick

Community Volunteer
Board Term: 2020-2025
904 Hassett Ct.
Virginia Beach, VA 23464
Home: (757) 621-0857
Business: (757) 855-2947
sharondpatrick4@gmail.com

George Stroud

Community Volunteer
Board Term: 2021-2026
5432 Tidewater Drive Apt C109
Norfolk, VA 23509
Home: (757) 998-0814
g.stroud06@gmail.com

Zachary R. Frederick

Crescent Development
Board Term: 2026 – 2031
1269 Cordial Court
Manakin Sabor, VA 23101
Business: (804) 519-3425
zac@crescent-development.com

Sean O'Brien

Bon Secours Mercy Health System
Board Term: 2026-2031
2600 Nine Mile Road
Richmond, VA 23223
Cell: (804) 347-0542
Sean_obrien@bshsi.org

Tab J:

Relocation Plan and Unit Delivery Schedule

(MANDATORY-Rehab)

Virginia Housing Renovation and Relocation Plan Gosnold II Apartments

SupportWorks Housing agrees to abide by both the Uniform Relocation Assistance Act of 1970 (URA) and Virginia Housing's Relocation Assistance Guidelines. The number one priority throughout this renovation is to provide uniform, fair, and equitable treatment of tenants and to lessen the emotional and financial impact of the temporary relocation.

All documentation related to relocation, including all notices and agreements referenced herein, as well as bill receipts and canceled checks, will be included in each tenant's file prepared to present to Virginia Housing upon request.

Gosnold II Apartments Renovation and Relocation Plan:

1. Owner Contact: SupportWorks Housing
Julie Anderson
Director of Real Estate Development
PO Box 8585
Richmond, Virginia 23226
(804) 788-6825
janderson@supportworkshousing.org

Property Manager Contact: SupportWorks Housing
Sheila Parker
Director of Property Management
PO Box 8585
Richmond, Virginia 23226
(804) 788-6825
sparker@supportworkshousing.org

2. Scope of Work to be completed:

SupportWorks Housing opened Gosnold Apartments in 2006 as the first regional permanent supportive housing community in Norfolk. Gosnold involved the adaptive reuse of a RC Bottling plant into 60 studio apartments for formerly homeless single adults from Norfolk and Virginia Beach. All residents earn 50% or less of the area median income and pay 30% of their income in rent. Gosnold is permanent rental housing; residents sign leases and pay a monthly rent and supportive services are provided on-site by SupportWorks staff. SupportWorks' evidenced-based supportive housing model works; more than 95% of individuals served do not return to homelessness.

The renovation and expansion of Gosnold Apartments will include an additional 20 studio units for a total of 80 units to allow SupportWorks to serve more individuals. Existing units for rehabilitation will be fully gutted and all fixtures, finishes, and equipment will be replaced. Each unit will be approximately 375 square feet and will be fully furnished with a bed, dresser, table, two chairs, kitchenette with full refrigerator and range oven, and full bathroom. The building will have two elevators, an extensive security system and off-street parking. In addition to apartments, the building will have a community room, two exterior courtyards, a computer room, laundry facilities, a front desk, and staff offices. The front desk is staffed 16 hours a day and a night monitor is on call in the evenings. The renovation and expansion of Gosnold is pursuing EarthCraft Gold Certification. The existing parking lot with 40 parking spaces will be improved with a fence, signage, and access-control system and the existing street parking and 7 parking spaces behind the building will be maintained.

The entire building will be designed to meet the Virginia Housing's (VH) Universal Design (UD) standards as well as all Minimum Design and Construction requirements. These Universal Design standards add a layer to the design of the building that allow spaces to be flexible to meet and serve resident needs regardless of age or ability. Additionally, Gosnold II will be designed and constructed to meet minimum accessibility (Section 504) requirements. The property will feature twelve fully accessible units for individuals with disabilities.

Current Gosnold residents will be temporarily relocated during the rehabilitation and expansion of Gosnold II. Construction is estimated to begin in August 2026. Construction is anticipated to last seventeen months with an anticipated completion in December 2027. Residents who will be affected will be temporarily relocated for no longer than 364 days. All residents relocated will be allowed to return to Gosnold II Apartments.

3. Planned measures to minimize construction impact on occupied units:

Affected Gosnold Apartment residents will be temporarily relocated to an extended stay hotel during construction. All efforts will be made to minimize the impact of any construction on occupied units.

In an effort to minimize the temporary relocation's physical and emotional impact on residents, SupportWorks staff will hold informational meetings and one on one meetings with current residents to explain the relocation process, assistance available, and provide details about the extended stay hotel. SupportWorks staff will circulate a relocation package to each resident with all the required notices as well as additional information about the temporary relocation timeline, process, and extended stay hotel.

SupportWorks staff and volunteers will provide packing materials and assistance to residents, and will help move packed items to the extended stay hotel or the provided off-site storage facility. Additionally, SupportWorks support services and property management will have staff offices at the extended stay hotel throughout the temporary relocation to ensure resident's needs are addressed and met in a timely and effective manner

4. Projected rents after rehab:

All sixty existing units at Gosnold Apartments have Section 8 Moderate Rehabilitation project-based vouchers provided and administered by the Norfolk Redevelopment and Housing Authority allowing residents to pay no more than 30% of their income in rent.

All current Gosnold Apartments residents hold Section 8 Moderate Rehabilitation project-based vouchers provided and administered by the Norfolk Redevelopment and Housing Authority. Upon construction completion all existing units will maintain project based rental subsidies.

SupportWorks has a commitment for Section 8 project-based vouchers from the Norfolk Redevelopment and Housing Authority and additional Section 8 project-based vouchers from the Chesapeake Redevelopment and Housing Authority so all 80 units will have a project-based voucher. The rents for all voucher units are proposed at \$1,279 per month, 2024 Fair Market Rent for an efficiency apartment in Norfolk, Virginia.

Rental policies after rehab:

All temporarily relocated residents will return to Gosnold II Apartments. Residents will sign leases and continue to pay rent equivalent to 30% of their income with \$50 being the lowest monthly rent. Support services will be available to all residents. SupportWorks Housing will continue to provide the property management and support services for Gosnold II during and after construction is complete.

Unlike similar apartments in the private market, Gosnold II Apartments will have specific screening criteria as the apartments were developed to house formerly homeless and low-income adults. SupportWorks will handle the application process professionally using fair and consistent procedures and in compliance with Federal Fair Housing Law and other applicable Federal and local laws. Please refer to the Gosnold II Apartments Tenant Selection Plan for details on resident screening and rental procedures.

5. Advisory services to be offered:

Relocation of Gosnold residents will be temporary. SupportWorks will provide advisory services to all current residents who will be temporarily relocated during construction. SupportWorks will abide by the Uniform Relocation Assistance Act of 1970 (URA) in terms of notices and information distributed to residents.

As relocation is temporary, all residents will have the opportunity to return to their same unit unless their unit no longer exists or has been made accessible and is needed by someone with a disability and the resident does not require an accessible unit. Every effort will be made to ensure that anyone needing an accessible unit will be accommodated. Resident's whose unit is no longer available will be provided with an equivalent unit using all pertinent information from the pre-relocation resident preference form.

6. Estimated determination as to Moving Cost Reimbursement:

All moving costs to and from the temporary relocation site will be paid by SupportWorks Housing. As the move will be performed by SupportWorks at no cost to the tenant, the reimbursement cost to residents will be no more than \$100 per resident.

7. Unit Delivery Schedule

Attempts will be made to allow temporarily relocated residents to return as soon as possible after completion of the renovation of their unit. All temporarily relocated residents will return to Gosnold II Apartments after construction is complete.

Tab K:

Documentation of Development Location:

Tab K.1

Revitalization Area Certification

6. Housing Credit Application Information

6.7 Project Readiness — Point Items

The following is meant to provide a better understanding of the Project Readiness point items that may be selected in the Credit Application. Refer to the Submission Checklist for correct tab placement.

Project Readiness			
	Point Category	Points	Explanation
6.7.1	Locality CEO Letter	0 or -25	<p>Receiving a letter in support or a 'no comment' from the locality will qualify the Application for 0 points.</p> <p>Virginia Housing will consider an opposition letter if it is accompanied by a legal opinion from the locality's attorney, opining that the locality's opposition to the Development does not have a discriminatory intent or effect that is in violation of the Fair Housing Act and the HUD implementing regulations, as described in 24 CFR § 100.500(a) and 24 CFR § 100.500(b).</p>
6.7.2	Location in a Revitalization Area	0, 10, or 15	<p>To reduce administrative burden on Applicants, starting January 1, 2025, Applicants may receive 15 points for providing a Community Revitalization Plan Form Letter signed by the locality (see Tab K of the Credit Application materials on the Website).</p> <p>Developments may still instead qualify for revitalization area points by demonstrating that the Development is located within the following areas identified within the QAP (Applicants must provide documentation graphicly evidencing that the Development lies within the boundaries of the established area and must include a copy of the resolution or ordinance passed by the locality to qualify for points, as applicable):</p> <ul style="list-style-type: none"> • A Qualified Census Tract, as defined by HUD. (10 points) • A census tract wherein 70% or more of the families have incomes which are ≤ 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) • An established redevelopment area, conservation area or rehabilitation district created by a city or county, pursuant to VA Code § 36-1 et seq. (10 points)

The 2026 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2026. The 2026 QCT designations use tract boundaries from the 2020 decennial census. The 2026 metro DDAs use ZIP Code Tabulation Area (ZCTA) boundaries from the 2020 decennial census. The designation methodology is explained in the [Federal Register notice](#) published September 30, 2025.

Current zoom: 16

Select Year:

2026 2025

Select Layer(s):

- LIHTC Projects (Zoom 11+)
- FMR Outlines (Zoom 4+)
- Difficult Development Areas (Zoom 7+)
 - Non-Metro Difficult Development Areas
 - Small Difficult Development Areas
- QCT Qualified Tracts (Zoom 7+)
- Tracts Outline (Zoom 11+)

2425 Gosnold Ave, Norfo

Tract	27
County	Norfolk city
State	Virginia
Status (2026)	Qualified
Full Tract Number	51710002700

Esri Community Maps Contributors, City of Portsmouth, VA, VGIN, © OpenStreetMap, Microsoft, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, ME... Powered by Esri

Tab K.2

Surveyor's Certification of Proximity to
Public Transportation using Virginia
Housing template



Surveyor's Certification of Proximity to Transportation

General Instructions

1. This form must be included with the Application.
2. Any change in this form may result in a reduction of points under the scoring system.
3. If you have any questions, please contact the Tax Credit Allocation Department at taxcreditapps@virginiahousing.com.

Date: March 6, 2026

TO: Virginia Housing
 601 South Belvidere Street
 Richmond, Virginia 23220 2025 Tax Credit Reservation Request
 Name of Development Gosnold II Apartments
 Name of Owner SupportWorks Housing

RE: **2026 Tax Credit Reservation Request**

Ladies and Gentlemen:

This letter is submitted to you in support of the Owner's Application for Reservation of Low Income Housing Tax Credits under Section 42 of the Internal Revenue Code of 1986, as amended.

Based upon due investigation of the site and any other matters as it deemed necessary this firm certifies that: the main street boundary entrance to the property is within:

- 2,640 feet or 1/2 mile of the nearest access point to an existing commuter rail, light rail or subway station; OR
- 1,320 feet or 1/4 mile of the nearest access point to an existing public bus stop or a public bus stop to be built in accordance with existing proffers. If the public bus stop is proffered, include copy of executed proffers with this form.

Firm Name Bamforth Engineers + Surveyors

By Anna Lee Bamforth, P.E., L.S. 

Its President

Title

Tab L:

PHA / Section 8 Notification Letter

Appendices continued

PHA or Section 8 Notification Letter

Date 2/27/2026

To Pamela Jones-Watford
555 East Main Street
Norfolk, VA 23510

RE: Proposed Affordable Housing Development

Name of Development Gosnold II Apartments

Name of Owner Gosnold II Apartments, LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from Virginia Housing. We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on August 1, 2028 (date).

The following is a brief description of the proposed development:

Development Address 2425 Gosnold Avenue, Norfolk, VA 23517

Proposed Improvements:

- New Construction: up to 56 #Units _____ #Buildings
- Adaptive Reuse: _____ #Units _____ #Buildings
- Rehabilitation: 44 #Units _____ #Buildings

Proposed Rents:

- Efficiencies: \$ 932 /month
- 1 Bedroom Units: \$ _____ /month
- 2 Bedroom Units: \$ _____ /month
- 3 Bedroom Units: \$ _____ /month
- 4 Bedroom Units: \$ _____ /month

Other Descriptive Information:

Gosnold II Apartments is the rehabilitation of 44 existing studio apartments and the new construction of up to 56 studio apartments for a total of 100 studio units of permanent housing with supportive services at 2425 Gosnold Avenue.

Appendices continued

PHA or Section 8 Notification Letter

We appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at (757) 619 - 8936 .

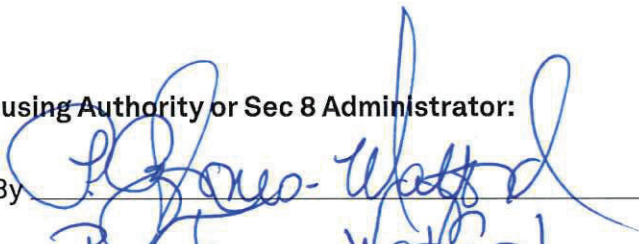
Please acknowledge receipt of this letter by signing below and returning it to me.

Sincerely yours,

Name Elliot Warsof

Title Associate Director of Real Estate Development

To be completed by the Local Housing Authority or Sec 8 Administrator:

Seen and Acknowledged By 

Printed Name: Pamela B. Jones-Watford

Title Vice President of Rental Assistance

Phone (757) 624-8629

Date March 2, 2026

Tab Q:

Documentation of Rental Assistance

Commitment of sixty (60) PBVs from Norfolk Redevelopment and Housing Authority (NRHA)

Commitment of twenty (20) PBVs from NRHA*

Commitment of ten (10) PBVs from Chesapeake Redevelopment and Housing Authority

*SupportWorks will work with NRHA to return ten (10) of these committed vouchers.



Commissioners: Alphonso Albert, Chair / Terreon Conyers, Vice Chair
Adam Casagrande / Amy Chudzinski / Earl P. Fraley Jr. / Elbert Louis / Philip Smith, M.D.

September 24, 2024

Virginia Supportive Housing
ATTN: Elizabeth Nice
1900 Cool Ln., Suite B
Richmond, VA 23223

Dear Ms. Nice:

NRHA has reviewed the proposal received in response to the PBV solicitation. This is a letter of intent to notify you that the below referenced project has been selected to be awarded PBV rental assistance.

Development Name:	Gosnold II
Development Address:	2425 Gosnold Ave., Norfolk, VA 23517
Owner/Developer Name:	Gosnold II Apartments, LLC
Owner/Developer Address:	1900 Cool Ln., Suite B Richmond, VA 23223
Owner/Developer Contact Person:	Elizabeth Nice
Contact Telephone Number:	804-788-6825
Contact Email Address:	enice@virginiassupportivehousing.org
Total Number of Units	100
Proposed Number of PBV Units	60

NRHA is required to select PBV proposals which meet the mandatory HUD criteria for the PBV program and that are in accordance with the competitive selection procedures of NRHA's Administrative Plan. Based on the below criteria this project meets the HUD Mandatory Criteria and ranks competitively in satisfying the NRHA's PHA Administrative Plan requirements.

HUD Mandatory Criteria include:

- The location of the project is within the PHA's jurisdiction or the PHA has been authorized to administer the program in accordance with 24 CFR 982
- The proposal is for an eligible housing type.
- The owner has site control.
- For new construction and rehabilitation housing, construction has not started.
- The project does not exceed the 25 percent cap with exceptions provided for in 24 CFR 983.56(b).



- Gross rents are within the PHA’s payment standards.
- Proposed project is consistent with local PHA requirements stated in the RFP.
- The owner is eligible, not on the GSA list of contractors excluded from participation in federal procurements, and does not have a conflict of interest.
- The project will be available for occupancy 24 months.
- The proposal is complete.

This project meets the HUD Mandatory Criteria and ranks competitively in satisfying the NRHA’s PHA Administrative Plan requirements.

HUD stipulates that the initial rent for a PBV project may not exceed the lessor of:

- 110 percent of the applicable fair market rent (or any exception payment standard approved by the Secretary of HUD) for the unit bedroom size minus any applicable utility allowances;
- The reasonable rent; or
- The rent requested by the owner.

NRHA is issuing this Letter of Intent to award rental housing assistance utilizing the 2024 fair market rents for Norfolk, Virginia as a basis under the following proposed contract rent schedule:

Rent Scheduled and Proposed Contract Rents

Prior to submitting your subsidy layering review for HUD approval; NRHA will conduct a rent reasonableness review to identify the initial monthly contract rents.

Unit Size	# of Units	Proposed Monthly Contract Rent per Unit	Monthly Utility Allowance	Proposed Gross Contract Rent per unit
Studio	60	\$1,279.00	0	\$1,279.00



Note: Prior to executing the Agreement to Enter into a Housing Assistance Payments Contract (AHAP), you must comply with the following:

Environmental Review Requirement (ER)

All PBV projects are subject to HUD environmental regulations found at 24 CFR parts 50 and 58. Written documentation is required from the community’s “responsible entity” that the project either complies with all environmental requirements as stated in the National Environmental Policy Act (NEPA) or is categorically excluded from a federal environmental review under NEPA. The “responsibility entity” is generally an official from the city or the local community development office. A copy of the complete ER file that includes the review, the public notice, the request for release of funds (RROF) and HUD’s letter approving the RROF must be submitted to NRHA

Subsidy Layering Review (SLR)

SLRs must be completed and approved by HUD for all PBV projects that utilize other publicly supported housing funds. The SLR is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits (24 CFR 983.55)

Should you have any questions concerning this Letter of Intent or the NRHA –PBV Program, please feel free to contact me at 757-624-8629 or via email at pjoneswatford@nrha.us.

NRHA looks forward to working with you in providing affordable rental housing to the residents of Norfolk.

Sincerely,



P. B. Jones-Watford
Housing Choice Voucher Director





Commissioners: Donald Musacchio, Chair | Alphonso Albert, Vice Chair

Rose Arrington | Amy Chudzinski | Richard Gresham | Tim Komarek | Suzanne Puryear | Raytron White

December 1, 2022

Virginia Supportive Housing
ATTN: Allison Bogdanovic
PO Box 8585
Richmond, VA 23226

Dear Mrs. Bogdanovic,

NRHA has reviewed the proposals received in response to the recent PBV solicitation. This is a letter of intent to notify you that the below referenced project has been selected to be awarded PBV rental assistance.

Development Name:	Gosnold II Apartments
Development Address:	2425 Gosnold Ave., Norfolk, VA 23517
Owner/Developer Name:	Gosnold II Apartments, LLC
Owner/Developer Address:	PO Box 8585 Richmond, VA 23226
Owner/Developer Contact Person:	Allison Bogdanovic
Contact Telephone Number:	(804) 836-1052
Contact Email Address:	abogdanovic@virginiasupportivehousing.org
Total Number of Units	100
Proposed Number of PBV Units	20

NRHA is required to select PBV proposals which meet the mandatory HUD criteria for the PBV program and that are in accordance with the competitive selection procedures of NRHA’s Administrative Plan. Based on the below criteria this project meets the HUD Mandatory Criteria and ranks competitively in satisfying the NRHA’s PHA Administrative Plan requirements.

HUD Mandatory Criteria include:

- The location of the project is within the PHA’s jurisdiction or the PHA has been authorized to administer the program in accordance with 24 CFR 982.516.
- The proposal is for an eligible housing type.
- The owner has site control.
- For new construction and rehabilitation housing, construction has not started.
- The project does not exceed the 25 percent cap with exceptions provided for in 24 CFR 983.56(b).



- Gross rents are within the PHA’s payment standards.
- Proposed project is consistent with local PHA requirements stated in the RFP.
- The owner is eligible, not on the GSA list of contractors excluded from participation in federal procurements, and does not have a conflict of interest.
- The project will be available for occupancy 24 months.
- The proposal is complete.

This project meets the HUD Mandatory Criteria and ranks competitively in satisfying the NRHA’s PHA Administrative Plan requirements.

HUD stipulates that the initial rent for a PBV project may not exceed the lessor of:

- 110 percent of the applicable fair market rent (or any exception payment standard approved by the Secretary of HUD) for the unit bedroom size minus any applicable utility allowances;
- The reasonable rent; or
- The rent requested by the owner.

NRHA is issuing this Letter of Intent to award rental housing assistance utilizing the 2023 fair market rents for Norfolk, Virginia as a basis under the following proposed contract rent schedule:

Rent Scheduled and Proposed Contract Rents

Unit Size	# of Units	Proposed Monthly Contract Rent per Unit	Monthly Utility Allowance	Proposed Gross Contract Rent per unit
1	20	\$993.00	-0-	\$993.00



Note: Prior to executing the Agreement to Enter into a Housing Assistance Payments Contract (AHAP), you must comply with the following:

Environmental Review Requirement (ER)

All PBV projects are subject to HUD environmental regulations found at 24 CFR parts 50 and 58. Written documentation is required from the community’s “responsible entity” that the project either complies with all environmental requirements as stated in the National Environmental Policy Act (NEPA) or is categorically excluded from a federal environmental review under NEPA. The “responsibility entity” is generally an official from the city or the local community development office. A copy of the complete ER file that includes the review, the public notice, the request for release of funds (RROF) and HUD’s letter approving the RROF must be submitted to NRHA

Subsidy Layering Review (SLR)

SLRs must be completed and approved by HUD for all PBV projects that utilize other publicly supported housing funds. The SLR is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits (24 CFR 983.55)

Should you have any questions concerning this Letter of Intent or the NRHA –PBV Program, please feel free to contact me at 757-624-8629 or via email at pjoneswatford@nrha.us.

NRHA looks forward to working with you in providing affordable rental housing to the residents of Norfolk.

Sincerely,

P. B. Jones-Watford

P. B. Jones-Watford
Housing Choice Voucher Director



March 28, 2023



Allison Bogdanovic
Executive Director
Virginia Supportive Housing
P.O. Box 8585
Richmond, Virginia 23326

Re: Letter of Intent to Award Ten Project Based
Vouchers for Gosnold II Apartments

Dear Ms. Bogdanovic:

CRHA has reviewed your proposal received in response to a solicitation relating to the award of Project Based Vouchers (CRHA 22-R-016). This is a letter of intent to notify you that the above referenced project has been selected to be awarded Project Based Voucher (PBV) rental assistance for ten of the apartments to be newly constructed.

CRHA is required to select PBV proposals which meet mandatory HUD criteria for the PBV program and are in accordance with the competitive selection procedures of CRHA's Administrative Plan. The Gosnold II Apartments project satisfies CRHA's Administrative Plan requirements, which can be found on CRHA's website at: www.crhava.org.

HUD stipulates that the initial rent for a PBV project may not exceed the lessor of:

- 110 percent of the applicable fair market rent (or any exception payment standard approved by the Secretary of HUD) for the unit bedroom size minus any applicable utility allowances;
- The reasonable rent; or
- The rent requested by the owner.

Prior to executing the Agreement to Enter into a Housing Assistance Payments (AHAP) contract for the Gosnold II Apartments, Virginia Supportive Housing is required to comply with the following:

- Environmental Review Requirement (ER). All PBV projects are subject to HUD environmental regulations found at 24 CFR parts 50 and 58. Written documentation is required from the community's "responsible entity" that the project either complies with all environmental requirements as stated in the National Environmental Policy Act (NEPA) or is categorically excluded from a federal environmental review under NEPA. The "responsibility entity" is generally an official from the city or the local community development office. A copy of the complete ER file that includes the review, the public notice, the request for release of funds (RROF) and HUD's letter approving the RROF must be submitted to CRHA.
- Subsidy Layering Review (SLR). SLRs must be completed and approved by HUD for all PBV projects that utilize other publicly supported housing funds. The SLR is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits (24 CFR 983.55)

If you have any questions about the process relating to the award of Project-Based Vouchers, please refer to the HUD information sources referenced at:

http://www.hud.gov/program_offices/public_indian_housing/programs/hcv/project

CHESAPEAKE REDEVELOPMENT & HOUSING AUTHORITY

1468 South Military Highway • Chesapeake, Virginia 23320-2604

Phone (757) 523-0401 • Fax (757) 523-1601 • TDD (For Hearing Impaired) (757) 523-1316 • www.crhava.org

As the Gosnold II Apartments project moves forward, please keep us informed of your progress and do not hesitate to contact me at 757-233-6428 or via email at john_kownack@crhava.org, if you have any questions.

CRHA looks forward to continuing to partner with you in the provision of quality housing for disadvantaged individuals.

Sincerely,

A handwritten signature in blue ink, appearing to read 'JK', is written over the typed name and title.

John C. Kownack
Executive Director

Tab Q(2):

Documentation of Tax Abatement

Sec. 24-203.1. - Tax abatement program for renovation of commercial or industrial structures.

- (a) Tax abatement under this section shall be permitted only on the substantial rehabilitation or renovation of properties for commercial or industrial use that are forty (40) years of age or more, or twenty (20) years of age if the property is located in an area designated as an enterprise zone by the commonwealth when at least fifty-one percent (51%) of the square footage of the original building is being preserved. This program shall be in effect throughout the city. The age of the building will be calculated from the Certificate of Occupancy or other final inspection.
- (b) An application for inclusion within the tax abatement renovation program shall be filed with the city real estate assessor, together with the fee of two hundred fifty dollars (\$250.00), on forms to be promulgated by the assessor. No renovation activities shall be considered for inclusion within the program unless such form (listing fully all work to be performed) is filed and approved by the assessor prior to the commencement of renovation work. The application for tax abatement certification shall be signed by the owner under oath. Only one application per commercial or industrial property for inclusion in this program shall be approved in any one fourteen-year period. In order to be eligible, the renovation must be completed within three (3) years after the city real estate assessor approves the application. The work shall not be deemed completed within this time frame unless the assessor so certifies to the treasurer as contemplated under subsection (d). Extension may be granted for good cause shown, subject to approval by the city real estate assessor. The time limitation for completion of the work shall be applied retroactively to properties previously approved.
- (c) In order to be eligible for abatement, the renovation must contribute a minimum of forty (40) percent increase in the assessed value of the property. This minimum increase must be determined and certified by the city real estate assessor prior to the commencement of renovation activities. Renovation eligible for abatement shall include expansion of the improvements only when the structure containing the expansion is vertical or the horizontal expansion is a fully integrated part of the previously existing structure and is part of the overall renovation project. In order for fully integrated horizontal expansion to qualify for this abatement, the horizontal expansion, like vertical expansion, must for the width of the horizontal expansion connect to the building being renovated and share with the renovated building systems like HVAC and electrical. The real estate assessor's determination of whether horizontal expansion qualifies as fully integrated shall be final and nonappealable. The real estate assessor may utilize input of other city officers where necessary or appropriate to assist in the determination of anticipated increases in assessed value; however, the method of assessment shall be governed by generally accepted methods of appraisal assessment. Abatement shall be contingent upon approval of building exteriors by the director of planning, based upon compatibility, quality, value enhancement, bulk, massing and height. Properties located in historic districts will be reviewed for certificates of appropriateness.

- (d) For properties on which renovation activities were completed on or after September 2012, upon completion of the renovation activities, and subject to the confirmation of such action as is deemed necessary by the assessor, the assessor shall determine the initial and adjusted tax abatement amounts where (i) the initial abatement amount is equal to the increase in assessed value of the property at the time of completion of renovation activities as determined by the assessor and (ii) the adjusted tax abatement amount is equal to the projected increase in assessed value of the property at the time the property achieves stabilized occupancy as determined by the assessor (in the event that the renovation activities are completed for a qualifying property prior to the effective date of this ordinance, the adjusted tax abatement amount shall be determined by the assessor prior to the initial term).

The tax abatement eligibility and abatement amount shall be certified in writing by the assessor to the city treasurer who shall then implement the tax abatement. The city assessor's determination shall be final and not subject to appeal. The initial tax abatement established by this section shall commence as of the first day of the quarter following completion of the renovation. The resulting increase in assessed value ("initial abatement amount") shall not be recognized for real estate tax purposes for a period of two (2) years beginning the first day of the quarter immediately after the renovation activities have been completed.

The adjusted tax abatement established by this section shall commence as of the first day of the quarter two (2) years following completion of the renovation. The resulting increase in assessed value ("adjusted abatement amount") shall not be recognized for real estate tax purposes for a period of twelve (12) years for a property located in an area designated as an enterprise zone, beginning the first day of the quarter two (2) years after the renovation activities have been completed. For all other properties on which renovation activities were completed on or after September 2012, the resulting increase in assessed value "adjusted abatement amount" shall not be recognized for real estate tax purposes for a period of eight (8) years, beginning the quarter two (2) years after completion of the renovation activities have been completed. Upon the completion of eight (8) years of exemption for the adjusted abatement amount for a property not located in an area designated as an enterprise zone, the abatement amount shall be decreased to the extent of twenty (20) percent in each succeeding year; whereupon after the completion of the fourteenth year during which the owner has received an initial or adjusted abatement, the property shall be taxed at one hundred (100) percent of its fair market value.

Notwithstanding any provision to the contrary, (i) the initial and adjusted abatement amounts shall not be increased after the city assessor establishes them; accordingly, any subsequent increases in value or rates will result in increased tax payments, and (ii) in no event shall the initial or adjusted abatements result in any decrease in the base assessed value of the property determined by the city assessor at the time of the certification of eligibility.

- (e) The tax abatement established by this section is limited to the original applicant and one

transferee, provided, however, that the property must at all times be in full compliance with all Norfolk City Codes including, without limitation, the Building Code, the Housing Code, the Zoning Ordinance of the City of Norfolk, and all other rules and regulations which affect or control the occupancy, use and management of the property. Should the director of planning determine that the property has become substantially out of compliance with applicable city ordinances, the director of planning shall thereupon give notice to the owner of such certification. The owner, having received written notice of ordinance violations, shall be granted thirty (30) days in which to correct said violations or to establish, to the satisfaction of the director of planning, that the certification of violations previously received is in error. Should the director of planning be satisfied at the end of said thirty-day period that the ordinance violations have occurred and have not been corrected by the owner as required by this subsection, he shall immediately notify the real estate assessor in writing who shall immediately and finally revoke tax abatement status of the property. Such abatement revocation shall be prospective in operation only and shall be immediately communicated to the owner in writing.

- (f) Nothing in this section shall give rise to any tax abatement other than the amount determined by the city assessor as provided in subsection (d) above.
- (g) No application submitted under this section shall be approved if the property owner is not current in payment of all taxes and assessments due the city. If a tax abatement is approved and a property owner (including any subsequent owner) thereafter fails to remain current in the payment of all city taxes and assessments, the property shall be immediately and finally removed from the tax abatement program.
- (h) [Reserved.]

(Ord. No. 40,954, § 1, 2-4-03; Ord. No. 40,997, § 1, 3-25-03; Ord. No. 41,076, § 1, 6-24-03; Ord. No. 43,009, § 1, 3-4-08; Ord. No. 43,435, § 1, 5-12-09; Ord. No. 45,118, § 2, 5-21-13; Ord. No. 45,448, § 1, 2-11-14; Ord. No. 45,529, § 2, 4-29-14; Ord. No. 46,545, § 3, 8-23-16)

Tab S:

Supportive House Certification and/or
Resident Well Being MOU



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 and low-income individuals, including those with a physical and/or mental disability.
4. List the types of supportive services to be offered: Case management; housing stabilization; independent living skills; transition planning; community engagement and social support; employment, educational, and vocational support.
5. Who will be providing supportive services? SupportWorks 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.

Appendices continued

Housing

Tenant choice. Supportive housing tenants will be able to choose where they want to live. Tenants cannot be evicted from their housing for rejecting services.

Access. Supportive housing units will be available to people who are experiencing homelessness, are precariously housed and/or who have multiple barriers to housing stability, including disabilities and substance abuse.

Quality. Supportive housing units will be similar to other units in the project.

Integration. Supportive housing tenants with disabilities will have a right to receive housing and supportive services in the most integrated settings available, including in buildings that include neighbors who do not have disabilities and where there is access to an array of community services and resources used by people with and without disabilities.

Rights of tenancy. Supportive housing tenant leases or subleases will confer full rights of tenancy, including limitations on landlords' entry into the property and the right to challenge eviction in landlord-tenant court. Tenants can remain in their homes as long as the basic requirements of tenancy are met — paying the rent, not interfering with other tenants' use of their homes, not causing property damage, etc. House rules, if any, are similar to those found in other housing.

Affordability. Supportive housing tenants should pay no more than 30% of their incomes toward rent and basic utilities.

Coordination between housing and services. Property managers and support service staff will stay in regular communication and coordinate their efforts to help prevent evictions and to ensure tenants facing eviction have access to necessary services and supports.

Delineated roles. There will be a functional separation of roles, with the housing elements (rent collection, property maintenance, enforcement of responsibilities of tenancy) carried out by different staff than those providing services (case management, mental health treatment, wraparound services).

The undersigned Owner certifies that each of the above statements is true and correct.

I/We agree that the commitment to provide supportive housing will remain in place throughout the Compliance Period (as described in the Extended Use Agreement).

Date 3/6/2025

Owner/Applicant Gosnold II Apartments, LLC

Service Provider SupportWorks Housing

Signed by:
By  _____
329EDDDCD83C4A2...

Signed by:
By  _____
329EDDDCD83C4A2...

Its Executive Director of Gosnold II Managing Member, LLC

Its Executive Director

Title

Title

SupportWorks Housing Permanent Supportive Housing Services Certification

Developments where SupportWorks Housing provides permanent supportive housing services:

<u>Property</u>	<u>Location</u>	<u>Units</u>
Cool Lane Apartments	Richmond, VA	86
New Clay House II	Richmond, VA	80
Gosnold Apartments	Norfolk, VA	60
Cloverleaf Apartments	Virginia Beach, VA	60
South Bay Apartments	Portsmouth, VA	60
Studios at South Richmond	Richmond, VA	60
The Crossings at Fourth and Preston	Charlottesville, VA	60
Heron’s Landing	Chesapeake, VA	60
Crescent Square	Virginia Beach, VA	80
Church Street Station Studios	Norfolk, VA	80

On-Site supportive services provided by SupportWorks Housing:

Case Management

SWH 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 supportive services to help individuals resolve life issues, promote recovery and community integration, and manage mental health symptoms. Education and support are 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 are coordinated for 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.



March 8th, 2024

Dear Virginia Supportive Housing,

Congratulations on your CORES recertification!

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.

The CORES recertification recognizes Virginia Supportive Housing's continued commitment and investment in 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 if you have not done so already.

This CORES certification lasts **five years** and will expire on **March 11th, 2029**. For guidance and requirements regarding the CORES recertification process, please visit <https://CORESonline.org/apply#Recertification>

Please Note: Certified organizations have an affirmative obligation to notify SAHF of any significant changes to their organizational structure or operations that materially changes their capacity or approach in providing resident services coordination. Certified organizations should notify SAHF within 60 days of the effective date of such changes. Failure to provide this notification could result in a suspension of certification.

If you have any further questions, please contact us at cores@sahfnet.org.

Sincerely,

Andrea Ponsor
President and CEO
Stewards of Affordable Housing for the Future

CORESonline.org

Memorandum of Understanding (MOU)

Between

Gosnold II Apartments, LLC

and

Virginia Supportive Housing (VSH)

March 5, 2024

This Memorandum of Understanding (“MOU”) is entered into this March 5, 2024, by and between Gosnold II Apartments, LLC, herein referred to as the “Owner,” and Virginia Supportive Housing (VSH), herein referred to as the “Service Provider.” Virginia Supportive Housing (VSH) will serve as the Property Manager of Gosnold II Apartments and is a party to this MOU.

I. Purpose

The purpose of this document is to identify the services to be provided by the Service Provider to the Owner in connection with Gosnold II Apartments. The Owner and Service Provider agree to enter into an agreement for services for the term of the Low-Income Housing Tax Credit Compliance period.

II. Scope

Virginia Supportive Housing (VSH) as the Service Provider will provide on-site supportive services to the residents of Gosnold II Apartments. The services to be provided include, but are not limited to, the following:

- a) 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. VSH will engage residents who seek services in developing a housing stabilization/care plan that outlines their individual goals and strategies needed to achieve their goals.
- b) Housing Stabilization: Supportive services staff engage residents in activities that promote a consistent and safe housing environment. VSH offers mediation services with property management staff when required to minimize lease violations and delinquency; provides move-in support and orientation to new residents; and coordinates with community partners and donors to provide essential household items.
- c) Independent Living Skills: Supportive services staff provide supportive services to help individuals resolve life issues, promote recovery and community integration, and manage mental health symptoms. Education and support are 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 coordinated for 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.
- d) Community Engagement and Social Support: Supportive services staff work with 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.
- e) Employment, Education, and Vocational Support: Supportive services staff provide assistance with resumes and employment searches. VSH connects residents with workforce development initiatives that may include, but are not limited to, teaching employable skills, computer classes, returning to school, and GED tutoring.
- f) Transition Planning: Supportive services staff help coordinate transition to other subsidized housing with less intensive services when appropriate through a move-on program that connects those residents who are ready to transition to a more independent setting without on-site services. 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. Lastly, VSH offers next of kin services to coordinate burial/memorial services.

These services will be administered by full-time, on-site Supportive Services Specialists under the direction of Services Program Managers. These services will be provided to all residents, 100% of the units, on a voluntary basis.

III. Roles and Responsibilities

Virginia Supportive Housing (VSH) will serve as the Service Provider and provide the services listed herein to the residents of Gosnold II Apartments. VSH is a recognized CORES certified organization. The Service Provider will provide the services listed herein on a voluntary basis to the residents of Gosnold II Apartments. The Service Provider will complete and maintain all applicable documentation of services. The Service Provider will continue to operate within Gosnold II Apartments for the term of the Low-Income Housing Tax Credit Compliance period.

Virginia Supportive Housing (VSH) will serve as the Property Manager of Gosnold II Apartments. VSH has been actively managing supportive housing properties since 1992 and became a VHDA Certified Management Agent without qualification in 2010. VSH currently owns and manages 726 housing units as well as manages 30 units of permanent supportive housing at the City of Virginia Beach Housing Resource Center. VSH will be responsible for leasing the units at Gosnold II Apartments under an approved Tenant Selection Plan. The Tenant Selection Plan, as well as resident Lease documents, will follow Virginia Landlord and Tenant Act requirements and Fair Housing laws. As the Property Manager, VSH will coordinate with the on-site Supportive Services Specialists on resident intake, move-in, and move-out where applicable.

Gosnold II Apartments, LLC will serve as the owner of Gosnold II Apartments.

IV. Communication

The Service Provider will work in connection with the Property Manager to ensure units at Gosnold II Apartments are leased in coordination with the approved Tenant Selection Plan and that residents remain stably housed through the provision of supportive services.

Both the Service Provider and Property Manager will operate on-site and be made readily available to both staff and residents through phone, email, and in person communication.

Any notice required or permitted to be given must be addressed and delivered to the parties at their respective addresses set forth below:

If to Owner: Gosnold II Apartments, LLC
1900 Cool Lane
Richmond, VA 23223
Attention: Allison Bogdanovic, Executive Director of Gosnold II Managing Member, LLC
Email: abogdanovic@virginiassupportivehousing.org

If to Service Provider: Virginia Supportive Housing
1900 Cool Lane
Richmond, VA 23223
Attention: Jennifer Tiller, Director of Client Services
Email: jtiller@virginiasupportivehousing.org
or
Attention: Allison Bogdanovic, Executive Director
Email: abogdanovic@virginiasupportivehousing.org

If to Property Manager: Virginia Supportive Housing
1900 Cool Lane
Richmond, VA 23223
Attention: Sheila Parker, Director of Property Management
Email: sparker@virginiasupportivehousing.org
or
Attention: Allison Bogdanovic, Executive Director
Email: abogdanovic@virginiasupportivehousing.org

V. Terms & Conditions

This MOU will become effective when signed by all parties. This MOU constitutes the entire agreement between the Service Provider and Owner and is further contingent upon approval by the Virginia Department of Behavioral Health and Developmental Services. This MOU shall be constructed and enforced in accordance with the laws of the Commonwealth of Virginia. All parties agree to keep all information contained herein confidential.

This MOU may be amended or terminated by (1) mutual written consent; (2) 90 days advance written notice by either Party; or (3) completion of the operation/terms of this Agreement. Any claim, dispute, or other matter in question arising out of or related to this MOU shall be subject to a meet and confer session whereby all parties shall reach a mutually acceptable resolution and shall prepare appropriate documentation memorializing the resolution.

Each of the signatories to this MOU represents that he/she is authorized to execute the MOU on behalf of such Party and that all approvals, resolutions and consents have been obtained and that no further approvals, acts or consents are required to allow each Party to execute this MOU.

IN WITNESS WHEREOF, this MOU has been duly executed as of the date herein.

Owner:

Gosnold II Apartments, LLC

By: DocuSigned by:
Allison Bogdanovic _____
9D0B8256B4D4411...
Name: Allison Bogdanovic
Title: Executive Director of Gosnold II Managing Member, LLC, its managing member

Service Provider:

Virginia Supportive Housing

By: DocuSigned by:
Jennifer Tiller _____
75340CA35495415...
Name: Jennifer Tiller
Title: Director of Client Programs

Property Manager:

Virginia Supportive Housing

By: DocuSigned by:
Allison Bogdanovic _____
9D0B8256B4D4411...
Name: Allison Bogdanovic
Title: Executive Director

Tab T:

Funding Documentation

- DHCD - NHTF Program Agreement
- DHCD - VHTF Program Agreement
- DHCD - HIEE Program Agreement
- City of Norfolk - HOME-ARP Award Letter, Allocation Plan, and Resolution
- City of Norfolk - CDBG Award Letter and Extension, Budget Book, and Ordinance
- City of Chesapeake - HOME-ARP Award Letter and Resolution with Approval
- HUD CPF - Award Letter
- Hampton Roads Community Foundation - Award Letter
- Alison and Ella W. Parsons Fund - Award Letter*
*\$75,000 for Gosnold II; \$125,000 total award
- The Blocker Foundation - Award Letter
- TowneBank Foundation - Award Letter



**AFFORDABLE AND SPECIAL NEEDS HOUSING PROGRAM
NATIONAL HOUSING TRUST FUND PROGRAM AGREEMENT**

THIS PROGRAM AGREEMENT made and entered into this 11th day of June 2025 by and between **SUPPORTWORKS HOUSING (FORMERLY VIRGINIA SUPPORTIVE HOUSING)** (hereinafter referred to as “the Developer”) and **GOSNOLD II APARTMENTS, LLC** (hereinafter referred to as “the Owner”) and the **VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT** (hereinafter referred to as "DHCD").

I. DEFINITIONS

- a. **The DEVELOPER** – is hereby identified as SupportWorks Housing (Formerly Virginia Supportive Housing), who will develop the project and is hereinafter referred to as “Developer”.
- b. **The PROJECT OWNER** – is hereby identified as Gosnold II Apartments, LLC, and is hereinafter referred to as “Owner”.
- c. **The PROJECT NAME** - is hereby identified as Gosnold II Apartments, a DHCD-assisted Affordable and Special Needs Housing project, and is hereinafter referred to as the “Project”.
- d. **PARTICIPATING JURISDICTION** – is hereby defined as the Virginia Department of Housing and Community Development, the funding entity for Affordable and Special Needs Housing funds, including National Housing Trust Fund and HOME Investment Partnerships Program funds, and is hereinafter referred to as “DHCD”.

WITNESSETH:

WHEREAS, the Project Developer and Project Owner has applied to DHCD for permanent finance funding for the Project located in city of Norfolk, **Virginia**; and

WHEREAS, based upon the representations, statements and warranties contained in the Application, exhibits, underwriting and subsidy analysis, and any amendments thereto filed with, and accepted by DHCD, DHCD has approved funding for the Project; and

WHEREAS, the Developer, Owner, and DHCD desire to work together to provide such funding assistance in the amount and subject to the terms and conditions set forth below in the area to be served as set forth by this agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained and other good and valuable consideration, the parties agree as follows:

II. Reservation of Funds

The Developer and Project Owner hereby accepts the reservation of **\$1,000,000** in National Housing Trust Funds (hereinafter referred to as "NHTF funds") for a permanent financing gap for the development of this rehabilitation or new construction project. The NHTF is funded by the U.S. Department of Housing and Urban Development (HUD) and was established under Title I of the Housing and Economic Recovery Act of 2008, Section 1131 (Public Law 110-289). Section 1131 of HERA amended the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) (Act) to add a new section 1337, entitled "Affordable Housing Allocation" and a new section 1338, entitled "Housing Trust Fund."

III. Project Description and Requirements

"Project Owner": Gosnold II Apartments, LLC

"Project Name": Gosnold II Apartments

Project Type: Rental Rehabilitation

Project Address and Locality: 2425 Gosnold Ave, Norfolk, Virginia 23517

Property Management Entity: SupportWorks Housing

Total Development Cost: \$27,707,719

Purpose of the Award: To develop an affordable housing project that provides a total of **100** units of affordable housing. Under this NHTF Program Agreement the Project shall have no less than **(6) floating** NHTF assisted units. The NHTF-Assisted units will be subject to NHTF rent limits identified in this Agreement. **100% of the NHTF units will target incomes at or below 30 percent AMI.**

The project must maintain accessible units for residents with mobility impairments and accessible units for residents with sensory impairments as identified in its Affordable and Special Needs Housing application as approved by DHCD. Based on representations made to DHCD in the Affordable and Special Needs Housing Program application approved by DHCD, a total of **15** units will be accessible and meeting at least minimum Section 504 requirements.

DHCD's underwriting has been performed using supporting data provided by the Developer in the Affordable and Special Needs Housing Program application, to include the approved development budget, operating pro-forma, and detailed construction timeline.

AN UPDATED DEVELOPMENT BUDGET, OPERATING PROFORMA AND DETAILED TIMELINE MUST BE ATTACHED SUBMITTED WITH THIS EXECUTED AGREEMENT.

IV. Required Affordability Period

The Project Owner must assure that the property will meet all NHTF Program requirements and those specified within this Agreement for **at least 30** years from the completion of the NHTF-assisted project (the “**Affordability Period**”). The Affordability Period will begin on the date that DHCD receives a complete and accurate HUD completion report including beneficiary data for the project and that information is entered into HUD’s Integrated Disbursement & Information System. Should the Loan Documents be subordinate to financing issued by Virginia Housing Development Authority (“Virginia Housing”), the Affordability Period may extend beyond 30 years and shall not terminate prior to the remaining term of the mortgage issued by Virginia Housing.

NHTF-assisted units must provide affordable housing for extremely low-income households for the duration of the Affordability Period. The Affordability Period cannot begin prior to completion of construction. If there are any vacant NHTF-assisted units six (6) months following the commencement of the Affordability Period, the Project Owner must submit documentation to DHCD to demonstrate how it will market the unit(s). If any unit remains vacant 18 months from project completion, this will be considered a breach of contract (failure to provide affordable housing) and the Project Owner will be required to repay any NHTF funds that were invested in these units. When combined with HOME Funds, which typically require a 15-year affordability period for rehabilitation or a 20-year affordability period for new construction, the Project Owner must assure that the property will meet the most stringent Affordability Period.

V. Unit Designation

The assisted unit mix, containing **6 NHTF** rent units must be maintained throughout the applicable Affordability Period. Noncompliance is allowable on a temporary basis only if a tenant’s income increases. IRS rules regarding over income tenants in LIHTC are govern. Rents may need to be adjusted if tenant income exceeds limits. NHTF-assisted tenant households must earn less than 30 percent AMI. The assisted units are floating units within the project and consist of the following unit mix:

NHTF Unit Mix		
<i>Number of Bedrooms</i>	<i>Number of NHTF Assisted-Units</i>	<i>Type of unit</i>
Efficiency	_6_	See rents below
One-Bedroom Units	_	
Two-Bedroom Units	_	
Three-Bedroom Units	_	
Total NHTF-assisted units	6	

VI. Rent Limits

For all NHTF projects, the maximum allowable rent is the HUD calculated NHTF Rent Limit and/or the 30 percent AMI Rent Limit.

NHTF Rent limits are inclusive of all rent a client and/or tenant-based voucher pays, and utilities that must be paid by the tenant. The Project Owner may not charge any rents that are higher than the applicable HUD-issued Program rent limits with the exception of project-based subsidies. HUD-issued Program rent limits include utilities. This means that if the tenant is paying any utilities, the Project Owner must deduct the applicable utility allowance (discussed in the following section) from the applicable HUD-issued Program rent limits in order to determine the maximum amount of rent that can be charged for each unit type. **Rents are based on the Rent Schedule included in Exhibit A and are approved as follows:**

<i>NHTF Unit Rents (rent includes utilities)</i>		
<i>Number of Bedrooms</i>	<i>Approved NHTF Assisted Pro-forma Rents</i>	<i>NHTF Unit Rent Limit</i>
<i>Efficiency</i>	<i>\$1,279</i>	<i>\$528</i>

VII. Projects/units with Project-based rental assistance

The Project will have at least **90 project-based vouchers** available for tenants. NHTF Program regulations allow the owner of the rental project to charge up to the project-based program rent limit provided:

- The unit is an extremely low-income (ELI) NHTF rent unit;
- The unit receives project-based assistance;
- The unit is occupied by a Very Low Income tenant; and
- Tenant does not pay more than 30 % of adjusted income for housing.

Section 8 Project-Based Vouchers may be made available to NHTF-assisted units. When project-based assistance from other HUD programs is provided to NHTF units, the rents are based on the rent requirements of that program.

VIII. Rents during the Affordability Period

Each year, HUD issues updated rent limits for the NHTF Program. DHCD will notify the Project Developer when these updates are issued. At no time can the rents be increased above the applicable NHTF rent limits that are in effect, throughout the Affordability Period. DHCD must approve any rent increase for these units throughout the Affordability Period.

The current NHTF Rent limits are available here:
<https://www.hudexchange.info/programs/htf/htf-rent-limits/>

IX. Utility Allowances

The Project Owner must submit to DHCD a project-specific utility allowance using HUD’s Utility Schedule Model (which is available at: <https://tools.huduser.gov/husm/uam.html>) or an approved calculation provided by a local authority or designated approved entity. The property Owner is

required to annually update the utility schedule and submit the updated schedule to DHCD for annual review.

X. Property Standards

All units being constructed must comply with local and applicable State Codes and Ordinances. Prior to expending the funds, and before the occupancy, the State will require a Certificate of Occupancy or AIA G704, certificate of substantial completion from the local building official. A copy of the CO or G704 will be kept in the State's NHTF project file to document that the property standards requirement under the NHTF program have been met.

Federal accessibility standards of Section 504 of the Rehabilitation Act of 1973 apply to the Project in all accessible units and common spaces. The Project must have and maintain the required number of accessible units for residents with mobility impairments and accessible units for residents with sensory impairments as identified in its Affordable and Special Needs Housing application as approved by DHCD. Individual units can be both accessible for residents with mobility impairments and accessible for residents with sensory impairments. The accessible units and the common spaces must meet the Uniform Federal Accessibility Standards (UFAS) throughout the Affordability Period. These standards are available online at <https://www.access-board.gov/aba/guides/>

The Project is NOT subject to the lead-based paint requirements of 24 CFR Part 35 Subparts A, B, J, K, M, and R for pre-1978 units. For all pre-1978 properties, the owner must disclose any known or potential lead-based paint risks to each tenant at move-in and lease renewal; the tenant must sign the notice to document receipt. In addition, visual inspections must be conducted annually or at unit turnover (whichever is sooner) to check for peeling, flaking, or deteriorating paint. For more information on the lead-based paint requirements, please see the *Lead Safe Housing Policies and Procedures* guide on DHCD's website at: <https://www.dhcd.virginia.gov/sites/default/files/Docx/housing/lead-safe-housing-rule-procedures.pdf>

DHCD reserves the right to inspect the property and any assisted units at any point throughout the Affordability Period. It expects to conduct onsite property inspections upon project completion and at a minimum of every three years and will include property common areas for all project buildings and a sample of assisted units. All assisted projects must maintain the property standards applicable (state and local codes and ordinances) at the time of project completion throughout the 30 year Affordability Period.

Project Owner must submit an annual certification to DHCD that each building and all assisted units in the project are suitable for occupancy, in consideration of these property standards requirements.

XI. Income Eligibility

NHTF Program regulations require income verification for all prospective tenants of assisted units. DHCD's Affordable and Special Needs Housing program rules specify that owners of NHTF-assisted rental properties use the Section 8/Part 5 definition of income for income verification.

State officials will monitor the income verification process to ensure that the initial occupants comply with Program requirements. HUD will adjust NHTF program income limits annually. Therefore, incomes are required to be verified annually. Property owners are required to use source documentation to verify an applicant’s income upon initial occupancy and every 6th year of the Affordability Period. Income recertification should occur on either:

- The anniversary date of initial verification; or
- Lease renewal date; or
- An annual date established for all tenant incomes in the project to be verified.

For years when the Project Owner is not required to use *source documentation*, it must require tenants to self-certify their income. Tenants are considered over-income if their incomes rise above the applicable income limit for the type and size of NHTF unit they lease (NHTF Program Rent).

In the event tenant incomes rise or fall at the time of annual income re-certification, the Project Owner must maintain the original NHTF-assisted unit mix and/or adjust unit rents to remain in compliance with NHTF program regulations.

It is the property owner’s responsibility to ensure compliance with NHTF rent and income limits throughout the applicable Affordability Period. Temporary noncompliance is allowed in the event a tenant’s income rises or falls, but any instance of temporary noncompliance must be mitigated as soon as possible by filling the next available unit with an income eligible tenant, as a NHTF-assisted unit.

XII. Maximum NHTF Income Limits

The NHTF Program publishes income limits on an annual basis. All NHTF units must be targeted to Extremely Low Income individuals. DHCD will provide the property manager with the annually updated NHTF income limits at the time they are published by HUD. The income limits and occupancy restrictions are established for the NHTF Program and will be enforced on the NHTF-assisted units. Income calculations are based on the Section 8 income definition. The following table shows the NHTF income limit(s) for the NHTF-assisted units at 30 percent of the AMI (area median income) for the Project:

Project Location: Virginia Beach-Norfolk-Newport News, VA MSA
 NHTF Program Income Limits for 2024

HUD NHTF Program Income Limits							
1 Person	2 Person	3 Person	4 person	5 Person	6 Person	7 Person	8 Person
\$21,150	\$24,200	\$27,200	\$30,200	\$32,650	\$35,050	\$37,450	\$39,900

These limits are the maximum amount of annual gross income a household can have and be eligible to occupy a NHTF-assisted unit. Annual income limits are published at: <https://www.hudexchange.info/programs/htf/htf-income-limits/>

XIII. Lease requirements and prohibited lease terms

The lease between a tenant and an owner of rental housing assisted with NHTF funds must be in writing and for not less than one year, unless by mutual agreement between the tenant and the owner. All tenants in DHCD-funded NHTF rental projects must sign the Virginia Department of Housing and Community Development NHTF Unit Lease Addendum, which is attached as Exhibit [B], when they sign the lease for their NHTF-assisted unit. Termination of tenancy may only be for good cause, in accordance with Termination of Tenancy- §93.303(c).

The lease must not contain any of the following prohibited lease terms:

- (1) Agreement to be sued. Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease;
- (2) Treatment of property. Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with State law;
- (3) Excusing owner from responsibility. Agreement by the tenant not to hold the owner or the owner's agents legally responsible for any action or failure to act, whether intentional or negligent;
- (4) Waiver of notice. Agreement of the tenant that the owner may institute a lawsuit without notice to the tenant;
- (5) Waiver of legal proceedings. Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;
- (6) Waiver of a jury trial. Agreement by the tenant to waive any right to a trial by jury;
- (7) Waiver of right to appeal court decision. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and
- (8) Tenant chargeable with cost of legal actions regardless of outcome. Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.
- (9) Mandatory services. The tenant may not be required to participate in any services as part of tenancy in a NHTF-assisted unit unless the housing is specifically designed as transitional housing.

XIV. Prohibition against Unreasonable Fees

The Project Owner may not impose any fees on low-income applicants or tenants of the project, other than those that are reasonable and customary for non-assisted housing in the area (such as a credit report fee).

XV. Tenant Selection

The Project Owner must adopt a DHCD-approved written tenant selection policies and criteria that:

- (1) Are consistent with the purpose of providing housing for extremely low-income, very low-income and low-income families;
- (2) Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease;
- (3) Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
- (4) Give prompt written notification to any rejected applicant of the grounds for any rejection.

XVI. Marketing Accessible Units

The Project Owner must offer accessible units to the following potential occupants who might require or benefit from the accessibility feature(s) of the unit, in this order of priority: (1) a current occupant of the property; (2) an eligible qualified applicant on the waiting list; (3) the disabled community at-large; and (4) a nondisabled person on the waiting list. Accessible units must be listed as available on Virginia Housing Search. Note, a nondisabled tenant may rent an accessible unit *only* when the property manager has made all reasonable efforts to attract a tenant with a disability, and has followed the above steps.

XVII. Marketing of Special Needs Units

Developer has agreed to designate units for tenants with intellectual/developmental disabilities per the allocation of Low Income Housing Tax Credits.

Tenant selection plans must include a provision for selection of tenants for special needs targeted units. Vacant units must be held vacant for 60 days or until leased to targeted special needs population. All vacant special needs units must be listed on Virginia Housing Search.

XVIII. Monitoring

Requirements include compliance with annual rent and occupancy reporting, annual financial reporting, and housing quality standard/inspections depending on project size. DHCD will verify rent and occupancy reporting and NHTF program compliance through onsite file reviews and monitoring. Project owners that are unable to remedy events of noncompliance following notice and opportunity to cure as set forth in this Agreement will not be eligible for additional funding through DHCD and may be required to return the full amount of the original NHTF investment. For projects with operating costs that significantly exceed operating revenue within the Affordability Period, DHCD reserves the right to require one or more of the following as resolutions:

- Development of improved management procedures;
- Technical assistance for specific issues provided by DHCD, HUD, or a HUD-provided consultant;
- Project financial reporting and monitoring

- Additional owner funds commitment;
- Change in property management agency;
- Utilization of project reserves;
- Modification of NHTF financing terms;
- Transfer of project ownership
- Foreclosure.

XIX. Other Federal Requirements

The Project Developer certifies that it will comply with all other applicable federal regulations.

These regulations are specified in the current DHCD Affordable and Special Needs Housing Program guidelines, found on DHCD’s NHTF webpage at: <https://www.dhcd.virginia.gov/nhtf>

and by NHTF regulation at:

<https://www.hudexchange.info/resources/documents/National-Housing-Trust-Fund-Interim-Rule-Summary-24-cfr-parts-91-and-93.pdf>.

These other federal requirements include but are not limited to the following: The Project Owner certifies that it will comply with the following:

1. Performance Reporting requirements;
2. Affirmative Marketing at 24 CFR 92.351;
3. Displacement, relocation, and acquisition at 24 CFR 92.353;
4. Federal labor standards at 24 CFR 92.354 (if applicable);
5. Conflict of Interest requirements at 24 CFR 92.3569(f);
6. Nondiscrimination and Civil Rights requirements at 24 CFR 92.350;
7. Uniform Administrative requirements;
8. Equal Participation of Religious Organizations requirements;
9. Drug-Free Workplace requirements; and
10. Violence Against Women Reauthorization Act of 2013 (VAWA)

The Project Owner agrees to make available all agency and program participant records to the Commonwealth of Virginia, HUD and the HUD Inspector General upon request.

XX. Repayment Provision for Failure to Comply

If the Project Owner fails to comply with all applicable NHTF program requirements, throughout the Affordability Period, and such failure comes after any notice and cure period provided for under the Enforcement Provisions of this Agreement, DHCD may require the Project Owner to return the full amount of the NHTF assistance to DHCD.

XXI. Term of Agreement

The project must be completed by November 1, 2027 (11/1/2027). No choice-limiting activity can commence on the project prior to execution of this Agreement. Environmental Record Review

requirements must be documented and all funding contingencies must be finalized prior to the execution of this agreement. DHCD reserves the right to de-obligate this fund reservation at any time in the case of a project not making sufficient progress towards project completion and meeting the terms of this agreement. DHCD will notify the Project Developer and/or Owner in writing of any potential or perceived breach of this agreement within 30 days of DHCD's knowledge of same. The Project Developer and/or Owner will be provided 30 days from the date of the notice to correct and/or respond to the breach. In the event that the Project Developer and/or Owner cannot implement a remedy for the breach that is acceptable to DHCD, DHCD may initiate any such action outlined in this Agreement, permitted by the NHTF program regulations, or at law or equity. This funding reservation will expire one year after the execution of this Agreement when construction has failed to commence. This Agreement may be extended at DHCD's discretion if the Project Developer and/or Owner can demonstrate just cause.

This NHTF program Agreement will remain in effect throughout the Affordability Period, are required by §93.302(d).

XXII. Funds Disbursement

NHTF regulations require that the Project Developer cannot request funds until they are needed for payment of NHTF eligible costs as identified in the Affordable and Special Needs Housing Guidelines; and, the amount of disbursement is limited to the amount needed.

DHCD funds are provided as must-pay permanent finance gap funding and will not be disbursed until the property's Certificate of Occupancy or AIA G704, Certificate of Substantial Completion from the local building official certifying that the property meets all local and state codes, along with a final inspection to ensure that DHCD's rehabilitation standards, as applicable, has been met.

XXIII. Records and Reports

The Project Owner is required to submit the following reports to DHCD:

- (1) Annual rent and occupancy reports, including information on any unit substitutions that were made in order to maintain unit mix (in either February or September),
- (2) Annual financial reports that are in sufficient detail that DHCD can fairly evaluate the financial condition of the property, and
- (3) Annual certification that each building and all NHTF-assisted units in the project are suitable for occupancy.

The annual rent and occupancy and financial reports must be submitted electronically to DHCD through the through DHCD's CAMS website.

Throughout the construction period, the project Owner must submit quarterly progress reports to DHCD through the CAMS website to demonstrate appropriate timeline milestones are being met.

The Project Owner shall maintain records as prescribed by DHCD. The Project Owner shall give

DHCD and HUD unrestricted access to records, files, books, papers, and documents related to the administration of the NHTF program. Records pertaining to activities funded pursuant to this Agreement shall remain intact and accessible for at least five years beyond the end of the Affordability Period. Records of individual tenant income verifications, project rents, and project inspections must be retained for the most recent five year period, until five years after the Affordability Period terminates. Initial lease up information must be retained and accessible for at least five years after the end of the Affordability Period. In the event any litigation claim or audit is initiated prior to expiration of the record retention period, records shall be retained until such action is resolved to DHCD's satisfaction. DHCD reserves the right to change the reporting requirements as needed to ensure regulatory compliance.

The Project Owner shall record in its accounting system all project payments received by it pursuant to the NHTF and all other funds provided for, accruing to, or otherwise received on account of the NHTF Fund. All costs, including paid services contributed by the Project Owner, charged to the project shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers evidencing the nature and propriety of the charges. All checks, payrolls, invoices, contract, vouchers, orders or other accounting documents pertaining in whole or in part to any project activity funded with the Fund shall be clearly identified, readily accessible, and separate and distinct from all other such documents. All accounting records shall reside at the project Owner's office.

XXIV. Enforcement

In accordance with 24 CFR 85.43, DHCD reserves the right to modify, amend, suspend or terminate this Agreement at any time during the term of this Agreement due to material failure of the Project Owner to comply with the terms and conditions of this Agreement and other Documents set forth by reference herein. DHCD will notify the Project Owner in writing of any potential or perceived breach of this agreement within 30 days of DHCD's knowledge of same. The Project Owner will be provided 30 days from the date of the notice to correct and/or respond to the breach. In the event that the Project Owner cannot implement a remedy for the breach that is acceptable to DHCD, DHCD may initiate any such action outlined in this Agreement, permitted by the NHTF program regulations, or at law or equity.

Project owners with unresolved findings or compliance issues will not be eligible for additional funding through DHCD and may be required to return the full amount of the original NHTF investment.

In accordance with NHTF regulation the required period of long-term affordability for this project will be at least 30 years, commencing at the completion of the project.

This Agreement will be enforced by a covenant running with the land, deed restriction and/or deed rider which describes the process for ownership transfer of the project and in the event of default that remains uncured following any applicable notice and cure period, repayment of the NHTF funds expended on the unit(s) during the Affordability Period.

Deed restrictions will be incorporated into any notes or mortgages between the Participating

Jurisdiction and the Owner, as a condition of funding for this development. These provisions must be enforced through deed restrictions, covenants running with the land, or similar legal mechanisms.

The terms and conditions of this Agreement shall extend and inure to the benefit of and be binding upon the respective successors, heirs, and assigns of the parties hereto. All indemnifications contained in this Agreement shall survive the completion of activities funded with NHTF funds pursuant to this Agreement, until the expiration or termination of this Agreement.

XXV. Hold Harmless Provision

The Project Owner shall, within limitations placed on such entities by state law, hold harmless the Commonwealth of Virginia, DHCD and their respective agents, officers, and employees from all claims and actions, all expenses defending same, that are brought as a result of any injury or damage sustained by any person or property in consequence of any act or omission by the Project Owner. Any contractor hired in connection with the administration NHTF Funds shall, within limitations placed on such entities by state law, save harmless the Commonwealth of Virginia, DHCD and their respective agents, officers, and employees from any claim or amount recovered as a result of infringement of patent, trademark or copyright or from any claim or amounts arising or recovered under Workers' Compensation Law or any other law. In any agreement with any subcontractor or any agent for Contractor, Contractor will specify that such subcontractors or agents shall hold harmless the Commonwealth of Virginia, DHCD, and their respective agents, officers, and employees for all the hereinbefore described expenses, claims, actions, or amounts recovered consistent with the conditions herein.

XXVI. Audit

The Project Owner must submit an annual audit to DHCD in accordance with federal audit standards. Audit thresholds and requirements are outlined in OMB Circular A-133.

XXVII. Financial Management

The Project Owner agrees to comply with Federal financial management guidelines, as outlined in 24 CFR Part 85, for the duration of the project period.

XXVIII. Miscellaneous

This Agreement constitutes the entire and final agreement between the parties with respect to the reserved funds and supersedes all prior negotiations. This Agreement is contingent upon the availability of NHTF funds. This Agreement may be amended only in writing signed by DHCD and the Project Owner. In accordance with 24 CFR 85.44 this Agreement may be terminated for convenience upon 30 days written notice by any party hereto. This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia. All provisions contained herein are severable and should any provision be held invalid by a court of competent jurisdiction the remaining provisions shall remain in full force and effect.

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

GOSNOLD II APARTMENTS, LLC

By: Allison Bogdanovic Its: Executive Director of SupportWorks Housing, Its: Sole Member of Gosnold II Managing Member, LLC, Its: Managing Member

Signature: *Allison Bogdanovic* Date: June 11, 2025

COMMONWEALTH OF VA COUNTY/CITY OF Henrico TO WIT:

Subscribed, sworn to and acknowledged before me by Allison Bogdanovic this 11th day of June, 2025

My Commission Expires: 11/30/2027

[Signature]
Notary Public of Virginia

Elliot Warsof
NOTARY PUBLIC
Commonwealth of Virginia
Registration #7622364

SUPPORTWORKS HOUSING (FORMERLY VIRGINIA SUPPORTIVE HOUSING)

By: Allison Bogdanovic Its: Executive Director

Signature: *Allison Bogdanovic* Date: June 11, 2025

COMMONWEALTH OF VA COUNTY/CITY OF Henrico TO WIT:

Subscribed, sworn to and acknowledged before me by Allison Bogdanovic this 11th day of June, 2025.

My Commission Expires: 11/30/2027

[Signature]
Notary Public of Virginia

Elliot Warsof
NOTARY PUBLIC
Commonwealth of Virginia
Registration #7622364

VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

By: Sandra Powell Its: Authorized Officer

Signature: _____ Date: _____

COMMONWEALTH OF _____ COUNTY/CITY OF _____
TO WIT:

Subscribed, sworn to and acknowledged before me by _____ this
____ day of _____, 20__.

My Commission Expires: _____

Notary Public of Virginia

**VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
VIRGINIA HOUSING TRUST FUND PROGRAM AGREEMENT**

THIS PROGRAM AGREEMENT made and entered into this date June 11, 2025 by and between **SUPPORTWORKS HOUSING (FORMERLY VIRGINIA SUPPORTIVE HOUSING)** (hereinafter referred to as “the Developer”) and **GOSNOLD II APARTMENTS, LLC** (hereinafter referred to as “the Owner”) and the **VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT** (hereinafter referred to as "DHCD").

The Virginia Housing Trust Fund (hereinafter referred to as “VHTF”) funds provided for and which are the subject of this program agreement (hereinafter referred to as “the Agreement”), have been appropriated by the Virginia General Assembly to support the preservation and production of affordable housing, and are allocated for this project, however, the Department reserves the right to modify, amend or terminate this Agreement due to the reduction or rescission of state funds by the Virginia General Assembly. The funds are subject to, and this Agreement incorporates by reference, the terms, rules, and conditions set forth in the Virginia Housing Trust Fund Application, plan and guidelines and related laws of the Commonwealth of Virginia.

Upon execution of this Agreement, the Department has approved the Developer’s request for a loan and the Department authorizes the Developer to initiate activities and incur expenses associated with the **Gosnold II Apartments** project to provide affordable housing. The Developer agrees to comply with all the terms and conditions of this Agreement, and all applicable State laws and requirements in its implementation of activities. The Developer agrees to furnish in such a form as the Department may require, reports concerning the status of project activities and/or disposition of loan funds.

The Developer shall hold the Commonwealth of Virginia, the Department, its agents and employees harmless from any and all claims and demands based upon or arising out of any actions by the Developer, its employees, agents or contractors.

The Department reserves the right to modify, amend, or terminate this Agreement at any time during the term of this Agreement due to failure of the Developer to comply with the terms and conditions of this Agreement and other documents set forth herein, or due to the loss, reduction, or rescission of state funds from the Department.

- I. **Loan Amount** – The Department hereby awards a loan of **\$2,000,000** of VHTF resources (the “Loan”) to be used in a manner consistent with the proposed budget in the Affordable and Special Needs Housing application and the Scope of Eligible Activities, IV. The Loan is intended to be for long-term permanent financing.

- II. **Term of Agreement** – This Agreement goes into effect upon execution/signing of this Agreement. The funding reservation will expire on November 1, 2027 (11/1/2027) after the execution/signing of this Agreement. DHCD reserves the right to de-obligate the fund reservation at any time in the case of the project not making sufficient progress toward

completion. This funding reservation may be extended at DHCD's discretion if the Developer can demonstrate just cause. This VHTF Program Agreement will remain in effect until the expiration of the Affordability Period (as defined in Section V).

- III. **Budget** – The attached budget, including other funding sources and projected expenses to be paid with the Loan, are herein incorporated as a part of this Agreement.
- IV. **Scope of Eligible Activities** – Gosnold II Apartments (the “Project”) is the Rehabilitation of one hundred (100) units of affordable rental housing across one (1) building(s) located at 2425 Gosnold Ave, Norfolk, Virginia 23517, which will be made available to individuals or families with incomes at or below 80% of the Area Median Income.
- V. **Affordability Period** – The Developer must assure that the developed/preserved units will be used for affordable housing in accordance with program requirements and those specified with this Agreement for at least 30 years from the completion of the project. The completion date is the date that DHCD receives a complete and accurate rent lease up report, or a complete and accurate completion report including beneficiary data for the project if HOME funds are included in the project. At the end of the Affordability Period, at DHCD's sole discretion, the initial principal and any accrued interest may be either repaid or forgiven, provided the Developer has been in compliance for 30 years. This affordability period shall be secured through a Deed of Trust. Deeds of Trust placed on the project under the Virginia Housing Trust Fund may only be subordinated to other project financing with the approval of the Department. Should the Loan be subordinate to financing issued by Virginia Housing Development Authority (“Virginia Housing”), the Affordability Period shall be the greater of 30 years or the remaining term of the mortgage issued by Virginia Housing.
- VI. **Fund Disbursement** – The Loan of **\$2,000,000** will be for a term of 30 years at zero percent (0%) interest, structured as an interest-only, must pay loan consisting of equal monthly interest payments. The Loan is not intended to be a grant. Payments shall be made in accordance with Virginia Housing loan servicing guidance. Funds will be disbursed to Virginia Housing for distribution at the project loan closing and must be used in accordance with the approved budget. Funds not disbursed by the expiration of this Agreement will be forfeited. Disbursements will be made by the Department on the basis of notification of the project loan closing date. The closing date must be confirmed by Virginia Housing. The total disbursement of VHTF funds shall not exceed the loan dollar amount awarded in section I. of this Agreement. Should the anticipated closing not take place, funds will be held at Virginia Housing. Funds are intended to be used as long-term permanent financing. Notwithstanding anything to the contrary above, should the Loan be subordinate to financing issued by Virginia Housing Development Authority (“Virginia Housing”), the term of the Loan shall be the greater of 30 years or the remaining term of the mortgage issued by Virginia Housing. Other terms and conditions of the Loan will be as set forth in the loan commitment issued pursuant to this Agreement.

- VII. **Federal HOME Requirements** – If applicable, use of these funds results in a project that uses federal HOME Investment Partnerships Program funds, this Agreement shall be governed by all federal requirements pertaining to affordable housing projects developed under the HOME program. The Developer's failure to contact the Department in no way releases it from its responsibility to ensure compliance with federal HOME requirements in project construction, maintenance, and management.

This project does ___OR does not X include an allocation of HOME Funds.

- VIII. **Repayment Provision** – The Loan is to be repaid in accordance with the rate and terms outlined in Section VI. Virginia Housing will serve as the loan servicing entity. Failure to make payments in accordance with the prescribed payment schedule may result in foreclosure on the property.
- IX. **Access to Property** – The Developer shall give DHCD unrestricted access to the property for inspections and site review.
- X. **Records and Reports** – The Developer shall maintain records as prescribed by the Department. The Developer shall give DHCD unrestricted access to records, files, books, papers, and documents related to the administration of the Housing Trust Fund project. Records pertaining to activities funded pursuant to this Agreement shall remain intact and accessible for at least five years beyond the end of the affordability period. In the event a litigation claim or audit is initiated prior to expiration of the record retention period, records shall be retained until such action is resolved to DHCD's satisfaction. DHCD reserves the right to change reporting requirements for the Housing Trust Fund as needed to ensure compliance.
- XI. **Accounting Records** – The Developer shall record in its accounting system all funds received by it pursuant to this Agreement. All costs to be supported by the Loan shall be documented by properly executed invoices, contracts, or vouchers. All checks, invoices, contracts vouchers, orders, or other accounting documents pertaining in whole or in part to any project activity funded with the Loan shall be clearly identified, readily accessible, and separate and distinct from all other such documents. Such documents shall be retained by the Developer for a period of five years beyond the end of the affordability period and shall be readily accessible to the Department during the course of the project. Should any litigation claim or audit be started before the expiration of the affordability period, the records shall be retained until such action is resolved.
- XII. **Audit** – The Developer must submit an annual audit to DHCD within thirty days after receipt of the auditor's report and nine months after the end of the audited period.
- XIII. **Termination, Suspension, Conditions** – If through any cause, the Developer fails to comply with the terms, conditions or requirements of this Agreement, the Department 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 days prior to such action. In the case of Agreement violations by the Developer and/or termination of the project before completion, the Department may make a written request that all or some of the Loan be returned even if the Developer has expended the Loan. The Developer agrees to return the Loan as requested by the Department within 15 days of receipt of the written request.

XIV. **Subsequent Contracts** – The Developer shall remain fully obligated under the provisions of the Agreement notwithstanding its designation of any subsequent or third parties for the undertaking of all or part of the activities for which the Loan is being provided to the Developer. Any contractor or subcontractor, which is not the Developer, shall comply with all the lawful requirements of the Developer necessary to ensure that the project for which this assistance is being provided under this Agreement is carried out in accordance with the Developer’s assurance and certifications.

XV. **Federal Match** –Virginia Housing Trust Fund expenditures associated with this funding commitment will be used to meet the State’s federal HOME program match requirement and may not be utilized for any subsequent match requirement without permission from the Department.

XVI. **Miscellaneous** – This Agreement constitutes the entire and final Agreement between the parties with respect to the reserved funds and supersedes all prior negotiations and agreements. This Agreement is contingent upon the availability of Housing Trust Fund funds. This Agreement may be amended only in writing signed by DHCD and the Developer. This Agreement may be terminated for convenience upon 30 days written notice by any party hereto. This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia. All provisions contained herein are severable and should any provision be held invalid by a court of competent jurisdiction the remaining provisions shall remain in full force and effect.

XVII. **ADDITIONAL ASSURANCES AND CONDITIONS:**

The Developer hereby assures and certifies that:

It possesses legal authority to execute this Agreement;

It will ensure that resources are available to provide the housing units developed/preserved through this Agreement at affordable rents to the targeted population for at least a period of 30 years.

That any additional funds needed to complete the Scope of Eligible Activities (IV) are committed and available for uses.

XVIII. **DEED OF TRUST**

The owner/developer agrees to place a Deed of Trust on the developed/preserved units to ensure that they are used for affordable housing for the targeted population for a period of 30 years. Should the property use be changed during the Affordability Period, the loan funds must be immediately re-paid in full to the Virginia Housing Trust Fund in accordance with the terms of this Agreement.

XIX. SOURCE OF FUNDING

The Loan has not been funded or subsidized in whole or in part, directly or indirectly, with any tax-exempt bond proceeds or tax-exempt obligations.

The parties named below on the date set forth below their respective signatures as follows hereby execute this Agreement:


**Virginia Department of Housing and
Community Development**
By Its Authorized Officer:

Sandra Powell
Senior Deputy Director
Community Development & Housing

Date

**SupportWorks Housing (formerly Virginia
Supportive Housing)**

By:




Allison Bogdanovic
Executive Director

June 11, 2025

Date

Gosnold II Apartments, LLC
By:



Allison Bogdanovic
Executive Director
SupportWorks Housing, the Sole Member of
Gosnold II Managing member, LLC, the
Managing Member of Gosnold II
Apartments, LLC

June 11, 2025

Date

**VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
HOUSING INNOVATIONS IN ENERGY EFFICIENCY PROGRAM AGREEMENT**

THIS PROGRAM AGREEMENT made and entered into this date June 11, 2025 by and between **SUPPORTWORKS HOUSING (FORMERLY VIRGINIA SUPPORTIVE HOUSING)** (hereinafter referred to as “the Developer”) and **GOSNOLD II APARTMENTS, LLC** (hereinafter referred to as “the Owner”) and the **VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT** (hereinafter referred to as "DHCD").

The **Housing Innovations In Energy Efficiency** (hereinafter referred to as “HIEE”) funds provided for and which are the subject of this program agreement (hereinafter referred to as “the Agreement”), have been appropriated by the Virginia General Assembly to support the preservation and production of affordable housing, and are allocated for this project, however, the Department reserves the right to modify, amend or terminate this Agreement due to the reduction or rescission of state funds by the Virginia General Assembly. The funds are subject to, and this Agreement incorporates by reference, the terms, rules, and conditions set forth in the HIEE Application, plan and guidelines and related laws of the Commonwealth of Virginia.

Upon execution of this Agreement, the Department has approved the Developer’s request for a loan and the Department authorizes the Developer to initiate activities and incur expenses associated with the **Gosnold II Apartments** project to provide affordable housing. The Developer agrees to comply with all the terms and conditions of this Agreement, and all applicable State laws and requirements in its implementation of activities. The Developer agrees to furnish in such a form as the Department may require, reports concerning the status of project activities and/or disposition of loan funds.

The Developer shall hold the Commonwealth of Virginia, the Department, its agents and employees harmless from any and all claims and demands based upon or arising out of any actions by the Developer, its employees, agents or contractors.

The Department reserves the right to modify, amend, or terminate this Agreement at any time during the term of this Agreement due to failure of the Developer to comply with the terms and conditions of this Agreement and other documents set forth herein, or due to the loss, reduction, or rescission of state funds from the Department.

- I. **Loan Amount** – The Department hereby awards a loan of **\$2,000,000** of HIEE resources (the “Loan”) to be used in a manner consistent with the proposed budget in the Affordable and Special Needs Housing application and the Scope of Eligible Activities, IV. The loan is intended to be for long-term permanent financing.

- II. **Term of Agreement** – This Agreement goes into effect upon execution/signing of this Agreement. The funding reservation will expire on November 1, 2027 (11/1/2027) after the execution/signing of this Agreement. DHCD reserves the right to de-obligate the fund reservation at any time in the case of the project not making sufficient progress toward completion. This funding reservation may be extended at DHCD’s discretion if the Developer

can demonstrate just cause. This HIEE Program Agreement will remain in effect until the expiration of the Affordability Period (as defined in Section V).

- III. **Budget** – The attached budget, including other funding sources and projected expenses to be paid with HIEE loan, are herein incorporated as a part of this Agreement.
- IV. **Scope of Eligible Activities** – Gosnold II Apartments (the “Project”) is the substantial renovation of one hundred (100) units of affordable rental housing across one (1) buildings located at 2425 Gosnold Ave, Norfolk, Virginia 23517. All units will be made available to households at or below 80% Area Median Income. The Project will meet or exceed minimum requirements for energy efficiency performance, dehumidification, fresh air ventilation, and green building certification standards to comply with guidelines for receiving Housing Innovations in Energy Efficiency (HIEE) funding.
- V. **Affordability Period** – The Developer must assure that the developed/preserved units will be used for affordable housing in accordance with program requirements and those specified with this Agreement for at least 30 years from the completion of the project. The completion date is the date that DHCD receives a complete and accurate rent lease up report, or a complete and accurate completion report including beneficiary data for the project if HOME funds are included in the project. At the end of the Affordability Period, at DHCD’s sole discretion, the initial principal and any accrued interest may be either repaid or forgiven, provided the Developer has been in compliance for 30 years. This affordability period shall be secured through a Deed of Trust. Deeds of Trust placed on the project under the HIEE Loan may only be subordinated to other project financing with the approval of the Department. Should the Loan be subordinate to financing issued by Virginia Housing Development Authority (“Virginia Housing”), the Affordability Period shall be the greater of 30 years or the remaining term of the mortgage issued by Virginia Housing.
- VI. **Fund Disbursement** – The loan of **\$2,000,000** will be for a term of 30 years at zero percent (0%) interest, structured as an interest-only, must pay loan consisting of equal monthly interest payments. The Loan is not intended to be a grant. Payments shall be made in accordance with Virginia Housing loan servicing guidance. Funds will be disbursed to Virginia Housing for distribution at the project loan closing and must be used in accordance with the approved budget. Funds not disbursed by the expiration of this Agreement will be forfeited. Disbursements will be made by the Department on the basis of notification of the project loan closing date. The closing date must be confirmed by Virginia Housing. The total disbursement of HIEE funds shall not exceed the loan dollar amount awarded in section I. of this Agreement. Should the anticipated closing not take place, funds will be held at Virginia

Housing. Funds are intended to be used as long-term permanent financing. Notwithstanding anything to the contrary above, should the Loan be subordinate to financing issued by Virginia Housing Development Authority (“Virginia Housing”), the term of the Loan shall be the greater of 30 years or the remaining term of the mortgage issued by Virginia Housing. Other terms and conditions of the Loan will be as set forth in the loan commitment issued pursuant to this Agreement.

- VII. **Federal HOME Requirements** – If applicable, use of these funds results in a project that uses federal HOME Investment Partnerships Program funds, this Agreement shall be governed by all federal requirements pertaining to affordable housing projects developed under the HOME program. The Developer’s failure to contact the Department in no way releases it from its responsibility to ensure compliance with federal HOME requirements in project construction, maintenance, and management.

This project does OR does not include an allocation of HOME Funds.

- VIII. **Repayment Provision** – The Loan is to be repaid in accordance with the rate and terms outlined in Section VI. Virginia Housing will serve as the loan servicing entity. Failure to make payments in accordance with the prescribed payment schedule may result in foreclosure on the property.
- IX. **Access to Property** – The Developer shall give DHCD unrestricted access to the property for inspections and site review.
- X. **Records and Reports** – The Developer shall maintain records as prescribed by the Department. The Developer shall give DHCD unrestricted access to records, files, books, papers, and documents related to the administration of the HIEE Fund project. Records pertaining to activities funded pursuant to this Agreement shall remain intact and accessible for at least five years beyond the end of the affordability period. In the event a litigation claim or audit is initiated prior to expiration of the record retention period, records shall be retained until such action is resolved to DHCD’s satisfaction. DHCD reserves the right to change reporting requirements for the HIEE Fund as needed to ensure compliance.
- XI. **Accounting Records** – The Developer shall record in its accounting system all funds received by it pursuant to this Agreement. All costs to be supported by the Loan shall be documented by properly executed invoices, contracts, or vouchers. All checks, invoices, contracts vouchers, orders, or other accounting documents pertaining in whole or in part to any project activity funded with the Loan shall be clearly identified, readily accessible, and separate and distinct from all other such documents. Such documents shall be retained by the Developer for a period of five years beyond the end of the affordability period and shall be readily accessible to the Department during the course of the project. Should any litigation claim or audit be started before the expiration of the affordability period, the records shall be retained until such action is resolved.

- XII. **Audit** – The Developer must submit an annual audit to DHCD within thirty days after receipt of the auditor’s report and nine months after the end of the audited period.
- XIII. **Termination, Suspension, Conditions** – If through any cause, the Developer fails to comply with the terms, conditions or requirements of this Agreement, the Department 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 days prior to such action. In the case of Agreement violations by the Developer and/or termination of the project before completion, the Department may make a written request that all or some of the Loan be returned even if the Developer has expended the Loan. The Developer agrees to return the Loan as requested by the Department within 15 days of receipt of the written request.
- XIV. **Subsequent Contracts** – The Developer shall remain fully obligated under the provisions of the Agreement notwithstanding its designation of any subsequent or third parties for the undertaking of all or part of the activities for which the Loan is being provided to the Developer. Any contractor or subcontractor, which is not the Developer, shall comply with all the lawful requirements of the Developer necessary to ensure that the project for which this assistance is being provided under this Agreement is carried out in accordance with the Developer’s assurance and certifications.
- XV. **Federal Match** –HIEE expenditures associated with this funding commitment will be used to meet the State’s federal HOME program match requirement and may not be utilized for any subsequent match requirement without permission from the Department.
- XVI. **Miscellaneous** – This Agreement constitutes the entire and final Agreement between the parties with respect to the reserved funds and supersedes all prior negotiations and agreements. This Agreement is contingent upon the availability of HIEE funds. This Agreement may be amended only in writing signed by DHCD and the Developer. This Agreement may be terminated for convenience upon 30 days written notice by any party hereto. This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia. All provisions contained herein are severable and should any provision be held invalid by a court of competent jurisdiction the remaining provisions shall remain in full force and effect.
- XVII. **ADDITIONAL ASSURANCES AND CONDITIONS:**

The Developer hereby assures and certifies that:

It possesses legal authority to execute this Agreement;

It will ensure that resources are available to provide the housing units developed/preserved through this Agreement at affordable rents to the targeted population for at least a period of 30 years.

That any additional funds needed to complete the Scope of Eligible Activities (IV) are committed and available for uses.

XVIII. DEED OF TRUST

The owner/developer agrees to place a Deed of Trust on the developed/preserved units to ensure that they are used for affordable housing for the targeted population for a period of 30 years. Should the property use be changed during the Affordability Period, the loan funds must be immediately re-paid in full to the HIEE Fund in accordance with the terms of this Agreement.

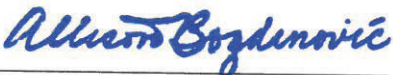
The parties named below on the date set forth below their respective signatures as follows hereby execute this Agreement:

**Virginia Department of Housing and
Community Development**
By Its Authorized Officer:

Sandra Powell
Senior Deputy Director
Community Development & Housing

Date

**SupportWorks Housing (formerly
Virginia Supportive Housing)**
By:




Allison Bogdanovic
Executive Director

June 11, 2025

Date

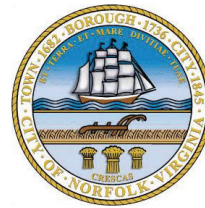
Gosnold II Apartments, LLC
By:



Allison Bogdanovic
Executive Director
SupportWorks Housing, the Sole Member
of Gosnold II Managing member, LLC, the
Managing Member of Gosnold II
Apartments, LLC

June 11, 2025

Date



November 14, 2023

Allison Bogdanovic
Executive Director
Virginia Supportive Housing
8002 Discovery Drive, Suite 201
Richmond, VA 23229

Re: Preliminary HOME-ARP Award

Dear Ms. Bogdanovic:

The City of Norfolk is pleased to offer support to Virginia Supportive Housing for the Gosnold II Expansion, which will provide much needed permanent supportive housing to homeless and at-risk single individuals in our city.

This letter serves as a preliminary award of \$2,250,000 in HOME-ARP funds to Virginia Supportive Housing pursuant to 24 CFR 92.504(c)(3) of the HOME Program and subject to all other applicable federal, state, and local laws and regulations.

Once all necessary financing has been secured, a budget and schedule established, and underwriting completed, with construction scheduled to begin within twelve months, an agreement will be sent for your signature.

The provision of any funds to the project is conditioned on the City of Norfolk's determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review. The recipient, subrecipient or contractor is prohibited from undertaking or committing any funds (*regardless of source*) to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the environmental clearance. Violation of this provision may result in the denial of any funds under the agreement.

Thank you for your continued commitment to ending homelessness and providing quality, affordable housing in Norfolk.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Patrick Roberts', is located below the 'Sincerely,' text.

Patrick Roberts
City Manager

City of Norfolk

HOME-ARP Allocation Plan



March 30, 2023

Amended September 2024

Acknowledgements

City Council

Honorable Kenneth C. Alexander, Ph.D.	Mayor
Honorable Martin A. Thomas, Jr.	Vice Mayor, Ward 1
Honorable Courtney Doyle	Ward 2
Honorable Mamie B. Johnson	Ward 3
Honorable John E. "JP" Paige	Ward 4
Honorable Thomas R. Smigiel, Jr.	Ward 5
Honorable Andria P. McClellan	Super Ward 6
Honorable Danica Royster	Super Ward 7

City Manager

Dr. Larry H. Filer, II

Department of Housing and Community Development

Federal Programs Management Division

Susan Perry, Ph.D.	Director
Megan Erwin	Assistant Director
Jacquelyne Wiggins	HUD Compliance Manager
Lauren Bryant	HUD Program Specialist
Traquita Simmons	HUD Program Specialist
Kimalesha Brown	HUD Program Specialist
Lyvonne Reine	Accountant III
Irric Apolonio	Accountant IV
Jessica Lowing Rosenberg	Federal Grants Coordinator

Comments and inquiries concerning this document should be referred to: HUDEntitlement@norfolk.gov

City of Norfolk
Department of Housing and Community Development
501-A Boush Street
Norfolk, VA 23510
(Phone) 757.664.2467

City of Norfolk HOME-ARP Allocation Plan

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Introduction

On March 11, 2021, the American Rescue Plan (ARP) was signed into law, providing \$1.9 trillion in relief to address the impact of COVID-19 on the economy, public health, state and local governments, individuals, and businesses. Congress appropriated \$5 billion in ARP funds to be administered by the U.S. Department of Housing and Urban Development (HUD) through the HOME Investment Partnerships (HOME) Program to benefit those who are homeless, at risk of homelessness, and other qualifying populations. Funds may be allocated to the following permissible activities that include: the development of affordable rental housing; tenant-based rental assistance (TBRA); supportive services; the acquisition/development of non-congregate shelter; and reasonable planning and administrative costs for the HOME-ARP program.

The City of Norfolk was awarded \$4,517,686 in HOME-ARP funds according to the HOME program formula designed to reflect relative housing need. This HOME-ARP allocation plan includes the following:

- 1) an overview of the consultation process, including public feedback of the draft plan;
- 2) a needs assessment and gaps analysis of the current housing and supportive services landscape as it relates to qualifying populations (QPs); and
- 3) planned uses of HOME-ARP funds to address gaps identified through the consultative and needs assessment processes.

Public Consultation

The City of Norfolk held a public consultation session at Norfolk City Hall on August 3, 2022, to inform City residents and interested parties about eligible program activities (i.e., affordable rental housing, tenant-based rental assistance, supportive services, non-congregate shelter, and reasonable program-related planning and administration costs), define eligible qualifying populations (i.e., homeless, at-risk of homelessness, those fleeing domestic violence and human trafficking, and other populations), and to collect public input and feedback.

In advance of the consultation session, Norfolk's Communications Department prepared a press release that was shared across various regional outlets, including Hampton Road's public radio station, WHRV 89.5 FM. The Virginian Pilot published a public notice for the session on July 18, 2022; this notice was also posted on the Norfolk Department of Housing and Community Development (NDHCD) website. NDHCD staff directly emailed invitations to current federal programs subrecipients as well as its extended network of service providers, affordable housing developers, and other community-based agencies/organizations. Attendees were able to join in-person or virtually, via Webex link. Fifty-one attendees joined the meeting either in-person or virtually.

After the public consultation session concluded, NDHCD circulated an optional digital survey to participants and publicly posted a survey link with the recorded session on the NDHCD website for a period of 21 days. NDHCD also asked The Planning Council (Norfolk's regional Continuum of Care) to circulate the survey to their listserv of partner organizations. NDHCD recorded a total of 19 responses. One response came from a self-identified Norfolk resident, 10 respondents self-identified on behalf of an affiliated organization (i.e., service provider, advocacy organization, or housing developer), and 8 individuals answered anonymously.

NDHCD scheduled follow up discussions with respondents who self-identified on the survey to discuss their feedback. Additional consultations were scheduled with affordable housing developers and other trusted organizations with firsthand knowledge of homelessness and housing insecurity issues faced by QPs in Norfolk and the greater Hampton Roads region. The below table identifies all agencies consulted.

Agency Consulted	Type of Agency	Method of Consultation
Bank of America	Housing construction financier	Public input session
Brinshore Development	Affordable housing developer	Public input session; One-on-one virtual consultation 8/12/22
Catholic Charities of Eastern Virginia (CCEVA)	Nonprofit supportive service provider	Public input session
Coalition for Homeless Elders	Coalition of 40+ organizations that provide homeless services and supportive services focused on the region's increasingly aging and elderly population	Public input session; Digital survey
Eggleston	Nonprofit agency that addresses the needs of persons with disabilities	Public input session; Digital survey; One-on-one virtual consultation 8/24/22
Independence Center	Nonprofit agency that addresses the needs of persons with disabilities	Public input session; Digital survey; One-on-one virtual consultation 10/13/22
ForKids, Inc.	Nonprofit homeless services and supportive services provider	Public input session; One-on-one virtual consultation 10/28/22
Hampton Roads Community Action Program (HRCAP, inc.)	Nonprofit agency that addresses the needs of the qualifying populations through supportive services	Public input session; Digital survey
Housing Opportunities Made Equal of Virginia (HOME of VA)	Nonprofit housing counseling agency; civil rights and fair housing advocate	Public input session
Lawson Companies	Affordable housing developer	Public input session; Digital survey
Legal Aid Society of Eastern Virginia	Nonprofit free legal service provider to low-income Virginians; civil rights	Public input session
LGBT Life Center	Homeless service and social service provider	Public input session; One-on-one virtual consultation 8/30/22
New Virginia Majority	Nonprofit advocacy organization focused on housing, economic justice, health, and environmental justice	Public input session
Norfolk Community Services Board (NCSB)	Public agency providing homeless services and supportive services; also serves the needs of people with disabilities.	Public input session; Digital survey

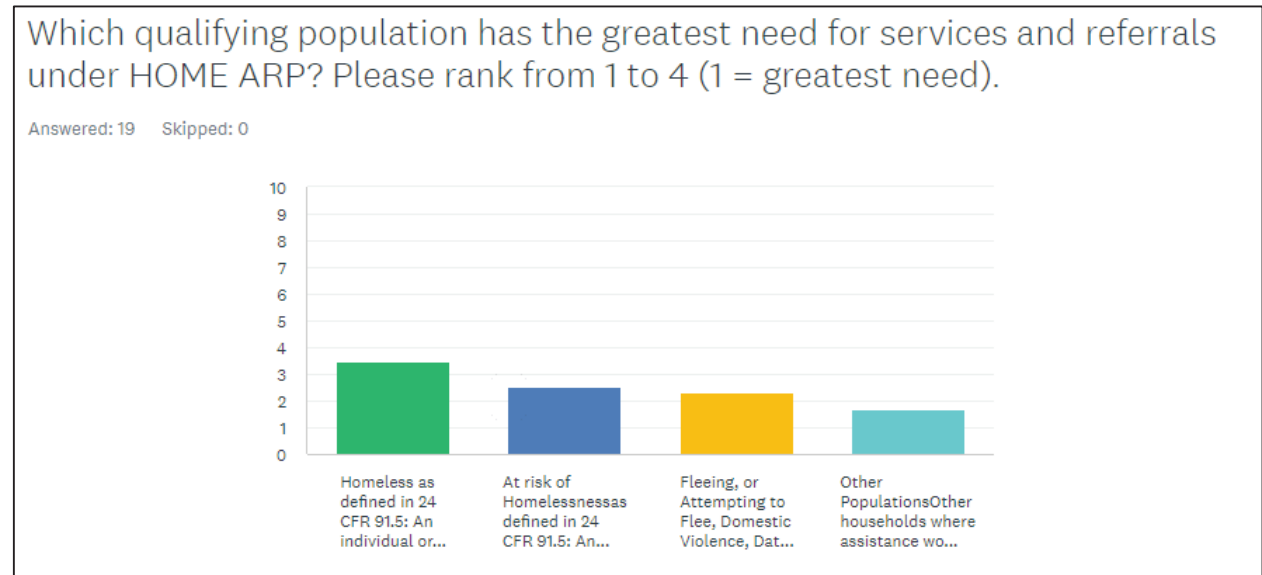
Norfolk Department of Neighborhood Services	Public agency that addresses the needs of qualifying populations; addresses fair housing	One-on-one consultation 1/27/23 and 2/13/23
Norfolk Redevelopment and Housing Authority (NRHA)	Public Housing Authority	Digital survey
The Planning Council/Southeastern Virginia Housing Coalition	Regional CoC; homeless service provider	Public input session; SVHC in-person strategic planning session 5/2/22; One-on-one virtual consultation 7/12/22
Senior Services of Southeastern Virginia (SSSEVA)	Nonprofit senior services provider	Public input session
United Way South Hampton Roads (United Way SHR)	Nonprofit supportive services provider	Public input session
The Up Center	Nonprofit supportive services provider for children and families; housing and financial counseling; services for people with disabilities	Public input session
Virginia Supportive Housing	Homeless service provider	Public input session; One-on-one virtual consultation 6/15/22; Digital survey
Woda Cooper Companies, Inc.	Affordable housing developer	Public input session; One-on-one virtual consultations 8/12/22 and 8/26/22
YWCA of South Hampton Roads	Domestic violence service provider	Public input session; One-on-one virtual consultation 10/11/22

A second opportunity for resident and stakeholder feedback was provided during another public input session held on December 8, 2022. The goal of this meeting was to collect public input on housing and community development needs and the development of proposed activities in advance of the HOME-ARP and FY 2024 Norfolk HUD entitlement allocations. This public meeting focused on the application process, eligible activities, minimum thresholds for grant funding, priority needs, and changes to prior application criteria. Feedback was requested on all of Norfolk’s entitlement programs. Thirty-seven attendees joined the meeting either in-person or virtually.

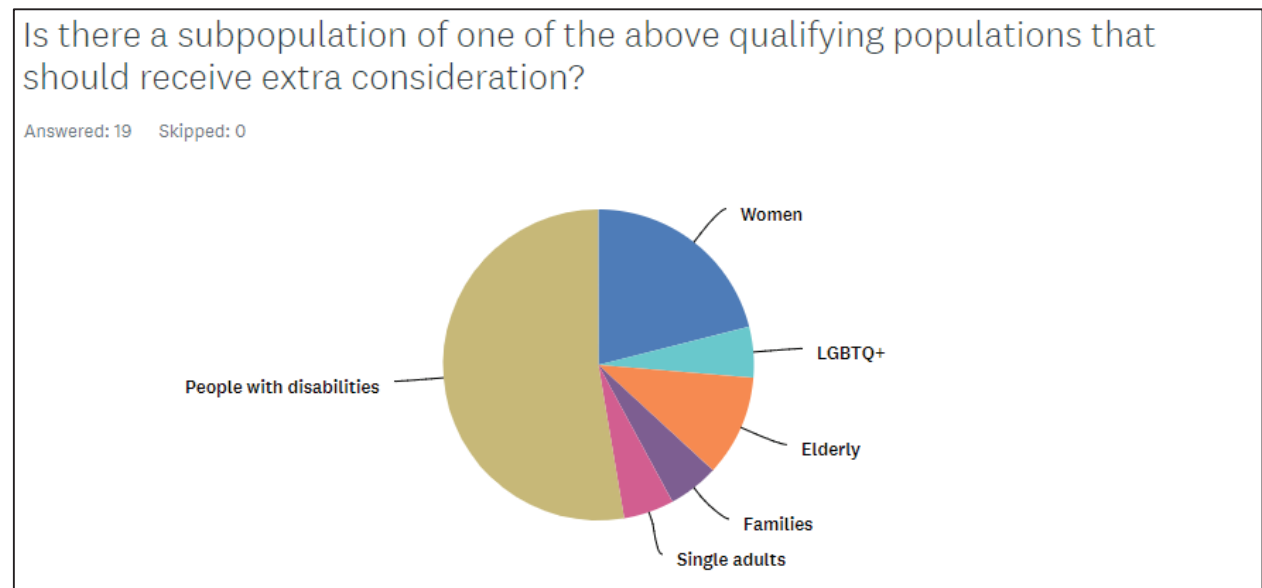
In advance of this public input session, Norfolk’s Communications Department prepared a press release that was shared across various regional outlets. The Virginian Pilot published a public notice for the session on November 21, 2022; this notice was also posted on the Norfolk Department of Housing and Community Development (NDHCD) website.

Feedback received via survey

Out of 19 surveys analyzed, 14 respondents rated the homeless qualifying population (QP) as being in the greatest need of services and referrals. Ten respondents scored individuals and families at risk of homelessness as second, and those fleeing or attempting to flee domestic violence or human trafficking as a close third. Finally, 11 respondents scored the Other Populations QP as fourth and last regarding need for services and referrals under HOME-ARP.

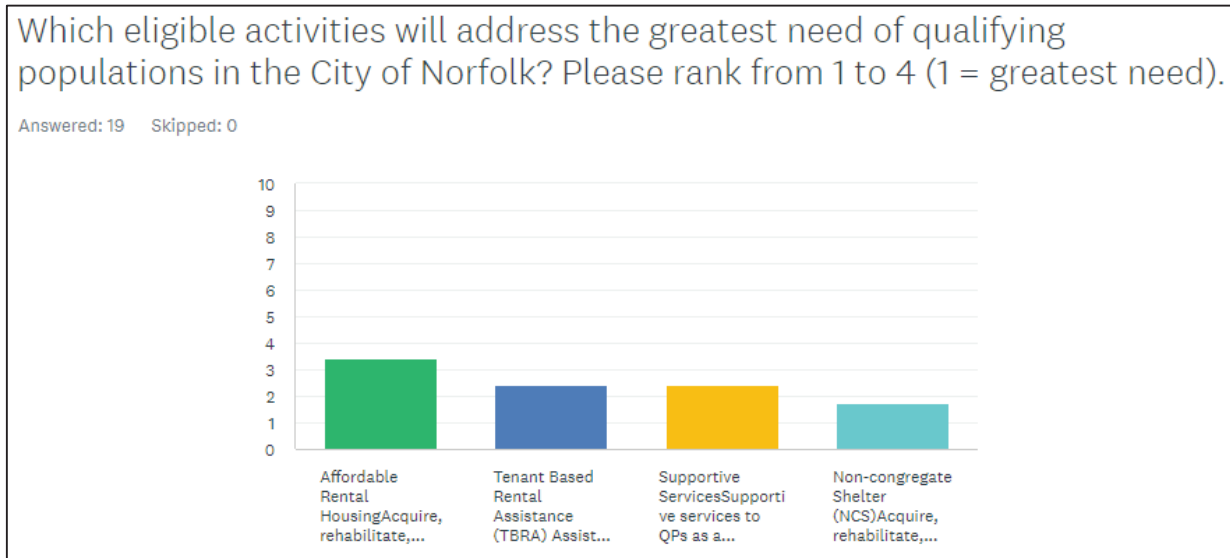


Ten* respondents selected “people with disabilities” as a QP subpopulation that should receive extra consideration for HOME-ARP preferences. Four respondents selected “women”; two respondents selected “elderly”; and “LGBTQ+”, “Families”, and “Single adults” were each selected by one respondent for extra consideration as a QP subpopulation.



*Three of these responses came from individuals from the same organization.

Twelve respondents identified affordable rental housing as the HOME-ARP eligible activity with the greatest potential to address the needs of QPs in Norfolk. Tenant-based rental assistance and supportive services received similar scores in second place, while non-congregate shelter was scored as the least important activity by 9 respondents.



Narrative feedback from survey and one-on-one consultations

The city considered these comments and recommendations for HOME-ARP allocation plan development and implementation.

Preferences for subpopulations

- “Preferences should be applied for those with behavioral and medical co-morbidities within the Homeless QP, then those at-risk of homelessness. Supportive public housing is a critical need.”
- “Consider preferences for homeless and at-risk of homelessness veterans with diagnosed mental/physical disabilities due to the high military-affiliated population in the area. Affordable housing with supportive services is a critical need for Norfolk.”
- “Recommend preference for people with disabilities as shelters and non-congregate shelters are full or lack accessibility; they are vulnerable when street homeless. When in a shelter it is difficult to have their PCA [personal care assistant] permitted to be available during the day and overnight for supports; and to have a support animal with them. Those in shelters are not accommodated with privacy if they need to catheterize or use their attendant. This preference is also recommended for ranking due to significant number are extremely low income and/or [those who] have housing barriers, or while homeless or at risk are transitioning from institutional settings.”
- “Runaway homeless youth is not a QP unto itself but is another (sub)population to consider.”
- “The elderly are on limited/low income and may not be able to raise income due to a variety of complications. There is one RRH program in SVHC that targets elders, but it isn't enough. Elders

can't afford the assistance long term and vouchers are limited/take too long to process. SVHC needs PSH for elderly homeless.”

Accessibility issues for people with disabilities

- “Recommend that non-congregate shelter projects are accessible to people with disabilities.”
- “To ensure fair housing choice among those who are homeless we recommend that the city ensures that homeless shelters and non-congregate shelter programs are accessible to individuals with all disabilities, including those with mobility disabilities.”
- “Raise the required percentage of accessible units for any rental housing development to 10 percent. Consider applying universal design principles to any new housing development.”
- “Along with increasing the development of accessible housing, we would recommend that the city evaluate the local building permit process to ensure compliance to all accessibility building code requirements for multi-family housing properties.”

Suggestions for effective program design/administration

- “If Coordinated Entry (CE) or CE with other methods is used, recommend having additional designated staff to alleviate long holding time and to prevent urge to leave a message and wait 72 hrs. If accessing CE, also recommend recorded greeting to include a prompt, leading applicants directly to an agent accepting [HOME-]ARP calls. Recommend applicants be given a referral number or ID assigned to the person as soon as they call so they can be easily tracked if line is disconnected or need to call back.”
- “Provide multi-year awards so subrecipients can sustain projects/operations.”
- “Currently, CoC definition of DV QP does not meet HOME ARP definition and Other Populations QP is broader than those served by CE; would need to expand CE to include referrals from other agencies.”

Program challenges

- “Important to determine how best to target services to residents who need them. There are current development projects that already have a right-to-return preference built in for public housing residents impacted by redevelopment efforts.”
- “There is a need for affordable rental housing in Norfolk, however the program’s requirement to service specific QPs make development financially challenging.”

Eviction and housing stabilization

- “Need to exercise holistic approach, combining eviction mitigation with other supportive services to keep people out of the homelessness pipeline.”
- “Eviction is such a pervasive issue for Norfolk, where anyone with a hiccup in their credit history is evicted because landlords know there is an affordable housing shortage, and they can easily find another resident.”
- “Expand emergency services support to those facing eviction for inability to pay mortgage/rent.”
- “Prevention and homelessness assistance along with supportive services should be adequate to ensure that the person can become stabilized and able to successfully maintain housing.”
- “Greatest need for clients is TBRA, because it’s perceived as quicker than getting into housing. While they are on TBRA, clients can go on waitlists and work on stabilizing.”

Miscellaneous

- “Highest need is for PSH for elderly and youth (not scattered site model); consider model with skills building opportunities for youth (like culinary program that provides meals for in-house elderly residents).”
- “Rental rates are too high in Norfolk, places undue burden on residents.”

Public Participation

Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:

No comments were received during the formal public comment period.

Public input sessions held during the development of the plan:

- *Date(s) of public notice: 7/18/2022 and 11/21/2022*
- *Date(s) of public hearing: 8/3/2022 and 12/8/2022*

Formal public comment period held after publication of the draft plan

- *Date of public notice: 2/24/2023*
- *Public comment period: start date – 2/25/2023 end date – 3/27/2023*

Describe the public participation process:

Two public input sessions were held during the development of the plan. A 30-day public comment period followed the publication of the draft plan. See public consultation section above for more details.

Efforts to broaden public participation

Public participation was solicited through a variety of methods, including public notices, two public input sessions (one held during the day and one in the evening to widen participation), one-on-one consultations, a survey, and a formal public comment period. Both public hearings were also available virtually to accommodate individuals unable to attend in person. The city also considered any comments by residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan. During the public comment period, drafts of the plan were made available at select public libraries and public housing offices located in low-income areas of the city to broaden access to potentially impacted populations.

Summarize the comments and recommendations received through the public participation process either in writing, or orally at a public hearing:

See public consultation section above. No formal public comments were received after publication of the draft plan.

Summarize any comments or recommendations not accepted why:

All comments received were considered.

Needs Assessment and Gaps Analysis

To comply with HUD’s requirements for this HOME-ARP allocation plan, Norfolk must evaluate the size and demographic composition of all four of the qualifying populations within its boundaries and assess the unmet needs of each of those populations. In addition, the needs assessment and gaps analysis must identify any gaps within its current shelter and housing inventory as well as the service delivery system.

This assessment will focus on the following HOME-ARP qualifying populations:

1. Sheltered and unsheltered homeless populations as defined in [24 CFR 91.5](#);
2. Currently housed individuals and families at risk of homelessness as defined in [24 CFR 91.5](#);
3. Individuals and families fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking; and,
4. Other populations where assistance would prevent the family’s homelessness or serve those with the greatest risk of housing instability.

Some of the data used for the purposes of this needs assessment and gaps analysis is sourced from the Hampton Roads Homeless Management Information System (HMIS), a repository for client-level data and a required data tool for any agencies receiving funds from the US government to assist homeless clients.¹ To access this information, the City of Norfolk consulted with the Southeastern Virginia Homeless Coalition, which is tasked with developing, sustaining, and coordinating a comprehensive Continuum of Care (CoC) of homeless services for Norfolk and five other regional jurisdictions: the cities of Chesapeake, Suffolk, Franklin, and the Isle of Wight and Southampton counties. Additional data sources include the Point-in-Time count (PIT), Housing Inventory Count (HIC), American Community Survey (ACS) 5-year estimates, and the Comprehensive Housing Affordability Strategy (CHAS), among others.

The PIT count is an annual count of sheltered and unsheltered people experiencing homelessness on a single night in January. It is important to note that not everyone in need that day is located in order to be counted, and those who are at-risk of homelessness are not included. Research demonstrates that the annual PIT total should be multiplied three or four times to estimate how many people more accurately may experience homelessness and engage with resources over the course of one year.²

The HIC is an inventory of housing conducted annually and reports the number of beds and units available to serve persons who are homeless. The HIC is categorized by four Program types: Emergency Shelter, Transitional Housing, Rapid Re-housing (RRH), and Permanent Supportive Housing (PSH).

The following table captures the current inventory of beds and units by type; sheltered and unsheltered homeless households; and the available units to serve households experiencing homelessness.

¹ SVHC annual report 2020

² 2022 Norfolk Consolidated Annual Performance and Evaluation Report (CAPER)

Table 1 - Homeless Needs Inventory

	Current Inventory					Homeless Population			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV
	# of Beds	# of Units	# of Beds	# of Units	# of Beds				
Emergency Shelter	155	38	138	138	8				
Transitional Housing	20	4	37	37	0				
Permanent Supportive Housing	381	114	458	386	447				
Rapid Rehousing	212	79	58	58	38				
Other Permanent Housing	0	0	160	160	0				
Sheltered Homeless						168	490	58	42
Unsheltered Homeless						0	80	8	3

Data Sources: 1. 2022 Point-in-Time Count (PIT); 2. Continuum of Care (CoC) 2022 Housing Inventory Count (HIC); 3. CoC Consultation

Size and demographic composition of qualifying populations

Homeless as defined in 24 CFR 91.5

According to the 2022 PIT count, 469 persons experiencing homelessness were counted in Norfolk. While there are fluctuations in the count from year to year, this count reflects many positive changes in Norfolk’s count over the past 5 years as well as one negative change:

- In 2022, there was an increase in the number of persons counted in Norfolk (469) from the prior year; however, there is an overall decrease of 24% in persons experiencing homelessness between 2018 and 2022.
- Adult Only households decreased from 489 to 413, a 16% decrease.
- There was a 56% decrease in homeless families, from 41 to 18.
- Additionally, 89% of persons counted in Norfolk were sheltered.
- Over the last 5 years, there has been a 64% increase in the number of persons identified in Norfolk that report living with a Serious Mental Illness.

Sheltered Homeless Populations

People are considered sheltered when they are residing in emergency shelter or transitional housing, but not when they are receiving rapid rehousing assistance or residing in permanent supportive housing.

The 2022 PIT count identified 434 persons experiencing sheltered homelessness on the evening of January 26, 2022. This represents a 13 percent increase from the 2021 PIT count (381 persons). However, this percentage difference may be attributed, in large part, to the limited capacity restrictions imposed on shelters by the COVID-19 pandemic in January 2021.

Unsheltered Homeless Populations

The 2022 PIT count identified 35 persons experiencing unsheltered homelessness in Norfolk on the evening of January 26, 2022. There is no comparison to the prior year as this count was not conducted due to the COVID-19 pandemic.

Racial and ethnic composition

Black/African Americans compose just under 41 percent of the total population of Norfolk³, however Black/African American households represent 75 percent of the population experiencing both sheltered and unsheltered homelessness in the city. Furthermore, the unsheltered homeless population is comprised primarily of Black/African American single member adult households, who commonly lack community support or connections and who often are facing substance abuse issues, mental health challenges, and physical debilitation.

Table 2 - Racial and ethnic composition of households experiencing homelessness

Race:	Sheltered:	Unsheltered (optional)
White	325	40
Black or African American	1,065	132
Asian	8	1
American Indian or Alaska Native	14	7
Pacific Islander	12	1
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	70	8
Not Hispanic	1,354	173

Data Source: HMIS data provided by Norfolk's Continuum of Care

Veterans

Veterans are a noteworthy subpopulation of the homeless qualifying population due to the presence of 15 military installations in Hampton Roads, including Naval Station Norfolk, the world's largest naval base⁴. An estimated 205,400 military veterans make Hampton Roads their home⁵ and according to 2021 US Census population estimates, 24,632 veterans live in Norfolk. The 2022 PIT count captured 55 individual veterans experiencing homelessness, 4 of whom are women. Veterans represent 12 percent of the total number of persons experiencing homelessness from the 2022 PIT count in Norfolk.

Additional statistics

Of the 469 people counted in Norfolk during the January 2022 Point in Time Count:

³ <https://www.census.gov/quickfacts/norfolkcityvirginia> (July 2021 estimates)

⁴ <https://hamptonroadsalliance.com/military/#:~:text=Hampton%20Roads%20is%20known%20around,forces%20in%20the%20United%20States>

⁵ <https://www.hrpdcva.gov/news/article/november/10/2020/november-map-of-the-month%3A-where-are-the-veterans-in-hampton-roads%3F/>

- 97 persons (21 percent) reported having a Serious Mental Illness (SMI); 35 persons (8 percent) had a substance abuse problem. These characteristics of those experiencing homelessness are self-reported and often do not reflect reality; however, they are increases from the previous year.
- 416 persons (87 percent) were single adults, and 53 persons (11 percent) were in households with children. All families with children were in shelter. Over the years, resources have been directed toward assistance of households with children, but there has been a lack of expansion for appropriate housing and services directed toward single adults.
- 124 (26 percent) of the total persons counted were chronically homeless.
- 30 persons (6 percent) were adults fleeing domestic violence.
- 12 persons (3 percent) were living with HIV/AIDS.
- 9 persons (2 percent) were unaccompanied youth (between the ages of 18-24). This high-risk category remains difficult to serve with limited age-appropriate assistance options across the region.⁶

At Risk of Homelessness as defined in 24 CFR 91.5

Households at risk of homelessness are those with incomes below 30% area median income (AMI) and that do not have sufficient resources or support networks immediately available to prevent them from becoming homeless. Additionally, at risk households must meet one of several conditions that contribute to housing instability, such as moving because of economic reasons two or more times in the last 60 days, living in the home of another because of economic hardship, or living in a hotel/motel without charitable or government program financial support.

According to Norfolk's CoC data, individuals with an imminent risk of homelessness typically have a combination of negative financial factors present in their lives: lack of living wage job, rent consuming more than 30 percent of their income, and high childcare, medical, or transportation costs. In addition to these factors, individuals at risk of becoming homeless will often have additional issues present including family conflicts, domestic violence, doubling-up with family members, recent crisis, housing with code or safety violations, family members with disabilities, criminal histories, history of mental health challenges or chemical dependency, difficulty navigating systems to access public benefits or community-based services, and prior experience with homelessness.

According to 2014-2018 Comprehensive Housing Affordability Strategy (CHAS) data, the City of Norfolk has 16,080 households with incomes at or below 30 percent of HUD's Area Median Family Income (HAMFI); this represents 18 percent of Norfolk's 88,383 households.⁷

As of 2016, Princeton University's Eviction Lab rated the City of Norfolk as sixth highest in the nation for its eviction rate.⁸ According to data sourced from Norfolk's Sheriff's Office, Civil Process Division, 1,144 evictions were ordered in 2021 and 689 evictions, or 60 percent, were executed. * These numbers are lower than previous years due to the COVID-19 eviction moratorium. The Virginia Department of Housing and Community Development and Norfolk's Department of Neighborhood Services have provided rent relief and other support assistance to households facing eviction, in tandem with certain protections

⁶ 2022 CAPER

⁷ 2019 ACS 5-year estimates

⁸ <https://evictionlab.org/rankings/#/evictions?r=United%20States&a=0&d=evictionRate&lang=en>

*This number reflects individuals, not a single address

afforded during the COVID-19 pandemic. However, effective July 1, 2022, there are no restrictions to prevent landlords from filing for eviction due to non-payment of rent and this required a shift from eviction prevention to mitigation of an imminent homelessness crisis.

For At-Risk households, many below 50 percent AMI and/or living in public housing were assisted through the Virginia Rent Relief Program. In 2022, 14,177 households were approved for rent assistance that totaled \$70,031,927. Eighty-one percent of those assisted were Black/African American, 15 percent were White/Caucasian, 3 percent were Multi-Racial, and 1 percent were Asian. Seventy-two percent reported they were Female and 28 percent reported they were Male.

Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking

From June 2020 – July 2021, the YWCA of South Hampton Roads' Domestic Violence Hotline served more than 8,279 callers, half (4,138) of whom were requesting shelter. Utilizing evidence-based danger assessments, and in cases involving law enforcement, lethality assessments, domestic violence (DV) victims are connected to shelter. In FY2021, 141 adults and 65 children were assisted out of high danger situations to be placed in shelter.

Out of all clients assisted, 50-55 percent are Black/African American. Typically, 15-20 percent of clients are male, and a nominal percentage of individuals are transgender.

The National Human Trafficking Hotline documented 140 cases of human trafficking in Virginia in 2021, and most victims and survivors are adult female foreign nationals. Sex trafficking venues that recorded the most cases were illicit massage/spa business, hotel/motel-based commercial sex, residence-based commercial sex, and escort services. Labor trafficking venues with the highest victims were domestic work, construction, and restaurant/food service.⁹ However, the data is not disaggregated for Norfolk and represents a gap in our ability to assess the need for this population, as well as how extensive or pervasive human trafficking is in the city.

Other populations

Other populations, as defined by HUD for HOME-ARP, include households requiring services or housing assistance to prevent homelessness or would serve those with the greatest risk of housing instability. This includes households:

1. who have previously been qualified as “homeless” as defined in [24 CFR 91.5](#), are currently housed due to temporary or emergency assistance, including financial assistance, services, temporary rental assistance or some type of other assistance to allow the household to be housed, and who need additional housing assistance or supportive services to avoid a return to homelessness;
2. with an annual income that is less than or equal to 30 percent of the area median income, as determined by HUD and is experiencing severe cost burden (i.e., paying more than 50 percent of monthly household income toward housing costs); and/or
3. with an annual income that is less than or equal to 50 percent of the area median income, as determined by HUD, and meets one of the conditions of the “at risk of homelessness” definition established in [24 CFR 91.5](#).

⁹ <https://htcourts.org/virginia/>

The ForKids Housing Crisis Hotline is the central point of contact for all persons experiencing a housing crisis throughout 14 cities in Southeastern Virginia. According to FY22 data, 14,191 (28 percent) of 50,530 calls came from Norfolk residents.¹⁰ Norfolk composes 14 percent of the region's population but has the largest call volume of any city in Hampton Roads, including Virginia Beach (26 percent of the region's population). The large call volume reflects a high level of housing instability in the city, as most callers are housed but requesting services to remain so.¹¹

Currently housed and at risk of repeat homelessness

According to available CoC data, 80 households were referred for Emergency Housing Vouchers (EHVs), however only 63 emergency housing vouchers (EHVs) were available to Norfolk households. As of August 2022 (the last date for which information is available), 26 households exited emergency housing to permanent destinations. The CoC and traditional sources have limited information on this population.

Households with incomes <30 percent of AMI and experiencing severe housing cost burden

According to 2014-2018 CHAS data, the City of Norfolk has 16,080 households with incomes at or below 30 percent of HUD's Area Median Family Income (HAMFI). Over half of these households are severely cost-burdened (i.e., spends >50 percent of income on housing): 8,110 renter households at or below 30 percent of AMI are severely cost-burdened, whereas 1,850 owners within the same AMI are cost-burdened. Crowding, defined as more than one person per room, is also highest among renters whose income is up to 30 percent AMI (735 out of approximately 1,500 renter households) and is characteristic of households experiencing economic hardship.

Extremely low-income renters (less than 30 percent AMI) are also more likely to have housing problems than homeowners and higher-income groups. Of the 13,175 Norfolk renter households with incomes below 30 percent of AMI, about 9,575 (73 percent) have at least one severe housing problem (which includes cost burden greater than 50 percent; more than 1.5 persons per room (crowding); lack of complete kitchen facilities; and/or lack of complete plumbing facilities). When analyzed according to racial demographics, Black/African American households compose 56 percent of extremely low-income households with one or more severe housing problems.

Households with incomes >30-50 percent AMI that meet HUD's definition of at risk of homelessness

Severe cost burden is also seen within the 30-50 percent AMI group where 45 percent of renter households in that income bracket (3,850 out of 8,585) and 43 percent of owner households (1,270 out of 2,965) spent more than 50 percent of their income on housing. Crowding affects 220 households in the same income bracket. The compounding challenges that render these households as at-risk of homelessness, such as moving two or more times during the 60 days preceding an application for homelessness prevention assistance, is unclear.

¹⁰ All callers/interactions made with Regional Call Center staff, including incomplete/disconnected calls

¹¹ ForKids FY22 Semi-Annual Summary by Callers <https://www.forkids.org/hch757>

Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing (Optional):

Current resources available to assist qualifying populations

Note: The information provided below is not comprehensive of all services in Norfolk.

Housing and Homelessness

Southeastern Virginia Homeless Coalition (SVHC) Service Coordination Committees provide the Continuum of Care (CoC) with a central/coordinated assessment process which offers all clients experiencing homelessness with equal access to ongoing housing options beyond emergency shelter. Where appropriate, households may be eligible for diversion services, short-term cash assistance, rapid rehousing, transitional housing, tenant based rental assistance or permanent supportive housing.

Rent Ready Norfolk, administered through the Department of Neighborhood Services, provides education webinars to landlords, property management company, and realtors through the Rent Ready Norfolk program. Neighborhood Services partners with Norfolk Redevelopment and Housing Authority (NRHA) who are the administrators of the Housing Choice Voucher (HCV) Program in the City. 'Open Houses' held for Landlords and Property Managers have educated landlords and those in the housing industry of the benefits of the Housing Choice Voucher Program and Fair Housing laws, as well as Rent Ready Norfolk. The Rent Ready program, while not a direct service, is meant to expand housing access for residents utilizing HCVs in Norfolk.

NRHA administers tenant-based rental assistance (TBRA) to qualifying families based on HUD-defined income requirements. The owner and the tenant will enter into a lease agreement, with the tenant paying the security deposit in most cases. The TBRA program does allow payment of a security deposit in compliance with HUD's HOME Investment Partnerships Program. Both NRHA and the city inspect HCV and TBRA properties prior to move-in and on a yearly basis to ensure that apartments comply with HUD standards for safety, size, and accessibility. The NRHA and the City also provide information on other affordable housing developments, some with units accessible for persons with disabilities. The Norfolk Community Services Board utilized HOME funds to provide TBRA to provide affordable permanent supportive housing for up to 45 households who were homeless in 2022.

Affordable and permanent supportive rental housing

NRHA provides low-income families with safe and well-maintained housing. NRHA plans and administers large-scale residential redevelopment programs within Norfolk. NRHA has been effective in obtaining private investment partners to fund new neighborhoods; improving low-income public housing; planning and building mixed-income communities; and offering programs that support residents receiving rental assistance on their path to self-sufficiency. NRHA operates nearly 4,000 assisted multifamily units, 3,763 housing choice vouchers and 980 privately managed multifamily apartments for a total of approximately 8,000 households with approximately 17,000 occupants.

Virginia Supportive Housing is a private, non-profit 501(c)3 community development corporation that provides permanent housing and supportive services to homeless and low-income individuals through a variety of properties and programs in service of the mission to end homelessness. VSH develops, owns,

and manages 640 units of permanent supportive housing across six (6) localities including Gosnold Apartments and Church Street Station Studios in the City of Norfolk. Gosnold and Church Street Station accommodate residents in 122 units.

ForKids Inc.'s Permanent Supportive Housing (PSH) program serves literally homeless households with at least one minor child and a family member with a documented disability. ForKids, Inc. addresses the link between housing instability and income disparity, working to ensure families have access to affordable housing and economic opportunity.

Congregate and non-congregate shelter units

The Norfolk Community Services Board (NCSB) operates The Center, a 100-bed emergency shelter for single adults experiencing homelessness in Norfolk. The Center also serves as the City's overnight shelter response during severely cold weather (as declared by the Emergency Operations Center) with up to 50 additional overflow spots.

ForKids, Inc. provides emergency shelter to families and children and, since 1988, has grown to become one of the largest providers of homeless services to families in Virginia.

The Salvation Army Hampton Roads Area Command operates the Men's Hope Center, an emergency shelter for single men that provides a day services program for homeless singles and serves 14 soup kitchens per week available to anyone in the community. In addition, The Hope Center contains an emergency shelter per diem program with the Veteran's Administration. H.O.P.E. Village is a residential program that provides transitional housing for women and women with children. This full-service housing program offers up to 6 months of housing, case management, employment and education coordination and life skills to homeless women and women with children.

For over forty years, the YWCA South Hampton Roads has operated an emergency shelter, providing the only place of refuge for families escaping domestic and sexual violence in the City of Norfolk. YWCA Emergency Shelter is available for those who are homelessness, experiencing poverty, and/or abuse.

The Union Mission has been serving the homeless since 1892, operating Bashford Men's Shelter and a Women and Children's Shelter to assist over 700 men, women, and children annually. Meals, laundry services, case management, job readiness programs, wellness services, and counseling are available to guests.

St. Columba Ecumenical Ministries, Inc. operates a day center from 9am-2pm each day so persons experiencing homelessness can access essential needs like showers and meals, laundry, and to speak with a homeless advocate who can connect them to resources. St. Columba also operates a 6-month transitional housing program for single, homeless, adult males and females.

Eviction mitigation

In 2021, the City of Norfolk took part in the Virginia Eviction Reduction Pilot (VERP), sponsored by the Virginia Department of Housing and Community Development, to assist Norfolk residents in preventing eviction. The Norfolk Eviction Prevention Center is administered by the Department of Neighborhood Services and connected Norfolk residents facing eviction with an additional \$800,000 in city funding (VERP

2.0) for access to resources (e.g., legal aid, financial literacy classes) to mitigate immediate relief needs and stabilize households to reduce the risk in the long term.

Health, Mental Health Care, Substance Abuse Counseling and Treatment

Norfolk Community Services Board (NCSB), the Department of Human Services (NDHS) and various clinics in Norfolk provide free, low-cost health, mental health care, substance counseling and treatment.

Transportation

Hampton Roads Transit provides light rail, and bus transportation. Bus passes are provided throughout the city to access services.

Income Assistance

Norfolk Department of Human Services, Social Security Administration, and the Virginia Employment Commission provide links to mainstream benefits.

Educational Opportunities and Job Training

Tidewater Community College (TCC), area high schools, Norfolk Works, Hampton Roads Workforce Council, and [VIEW](#) through the Norfolk Department of Human Services provides GED classes, education, employment classes and training.

Food and Nutrition

The Foodbank of Southeastern Virginia and area churches and missions provide food, free meals, and other food assistance.

Legal Aid and Mediation

Legal Aid of Southeastern Virginia provides free or low-cost legal assistance. The Norfolk Family Justice Center is a multi-agency center that co-locates law enforcement officers, prosecutors, victim-witness advocates, social service specialists, and a Sexual Assault Nurse Examiner (SANE) clinic to address the immediate and long-term needs of victims of crime, particularly victims of domestic violence, dating violence, sexual assault, and stalking.

Veteran's Services

Hampton VA Medical Center, Virginia Veterans and Family Services, STOP Inc., ForKids Inc., Virginia Beach Community Development Corporation (SSVF providers), and Virginia Employment Commission provide various services for veterans.

Mainstream Services used to complement services to households experiencing homelessness

HUD defines mainstream benefits and services as services that “consist of a wide variety of publicly funded services, programs, and entitlement for low-income people that address basic needs, including, but not limited to, income and employment, housing, food and nutrition, health and behavioral health services, child welfare, and transportation.”

The city's benefits and services are provided through numerous state, and local governmental departments including but not limited to the following:

- Norfolk Community Services Board: Mental Health, Substance Abuse, Homeless, and Disability Services
- Norfolk Department of Human Services: Access to mainstream benefits including Temporary Assistance to Need Families (TANF), SNAP (food stamps), and Social Security (SSI, SSDI, SSA)
- Employment and job training services through Norfolk Works, and Norfolk Human Services
- Norfolk Crisis Intervention Team (emergency mental health services partnership between Norfolk Community Services Board and Norfolk Police department)
- Services for people affected by HIV through the Greater Hampton Roads TGA Ryan White Part A HIV/AIDS Program
- Clinical services and WIC benefits through Norfolk Public Health department
- Unemployment benefits through Virginia Employment Commission

The unmet housing and service needs of qualifying populations

Homeless as defined in 24 CFR 91.5

The Southeastern Virginia Homeless Coalition (SVHC) conducted a homeless Point-In-Time Count in 2022 and identified 469 persons experiencing sheltered/unsheltered homelessness. The count revealed an increase between 2021 and 2022 both in the number of individuals with substance abuse issues and those with serious mental illness. The data as well as anecdotal feedback from our service providers supports a need for increased services for these populations.

There is also critical need for permanent supportive housing for chronically homeless individuals and families and other homeless subpopulations such as persons with severe mental illness and veterans and their families.

At Risk of Homelessness as defined in 24 CFR 91.5

According to the 2014-2018 CHAS data, renters and owners with 0-30 percent AMI have a high percentage of severe cost burden. About 62 percent of renter households in that income bracket (8,110 out of 13,175) and 64 percent of owner households (1,850 out of 2,905) reported severe cost burden. Severe cost burden is also seen within the 30-50 percent AMI group where 45 percent of renter households in that income bracket (3,850 out of 8,585) and 43 percent of owner households (1,270 out of 2,965) spent more than 50 percent of their income on housing. Overall, a total of 15,080 households earning between 0-50 percent AMI have a housing cost burden of 50 percent or over. Extremely low and low-income individuals are exceedingly burdened by housing costs and one missed paycheck or health issue can throw an entire household into a housing crisis.

Substandard housing is another problem facing Norfolk households. There were 480 households, including both renter and owner-occupied housing with incomplete plumbing or kitchen facilities. Extremely low-income renters (less than 30 percent AMI) are more likely to have housing problems than homeowners and higher income groups, with fewer resources to correct the problems. Of the 13,175 Norfolk renter households with incomes below 30 percent of AMI, about 9,575 (73 percent) have at least one severe housing problem.

New, quality, affordable housing units is a need that could alleviate housing-problem burdens on low-income Norfolk households. According to a study by the Virginia Joint Legislative Audit and Review Commission, Norfolk has the second highest need for affordable rental units. They estimate that the gap is 12,300 units.

Table 3 - Affordable Rental Units Need in Virginia



Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice

The YWCA of South Hampton Roads provides domestic violence services such as counseling, case management, legal advocacy, and other types of advocacy (e.g., assistance with landlords, employers, and access to medical resources) that seek to keep domestic violence victims and children safely in their homes, instead of being forced to flee to shelters. These additional supportive services are especially important due to the lack of shelter beds in the city for victims and their children. Domestic violence shelter clients often do not have the resources to afford stable housing, including first month’s rent and a security deposit. This puts families at high-risk of becoming homeless. The YWCA-SHR operates an emergency shelter facility with 22 rooms to assist victims of interpersonal violence, but this is not intended as a long-term housing solution for clients.

Impacts from COVID-19 have sparked a high level of domestic violence (DV) in the region and City of Norfolk, as more households experienced limitations on mobility and routine, precarious employment,

increased health and economic constraints, and other stressors. The average length of stay for clients in shelter used to be 42 days; now it's four months.

YWCA-SHR staff acknowledged the greatest need is for money to assist DV victims not in shelter, but who otherwise need secure housing where abusive partners/relations are not able to locate them. Housing assistance (i.e., housing and delivering trauma-informed case management services) and civil legal assistance (e.g., for protective order hearings, separation agreements, custody, and landlord-tenant disputes) are the largest service gaps for victims of interpersonal violence.

Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability

Affordable housing for low-income and extremely low-income households is needed. Critically low-income households also tend to have some form of special need, which compounds the need for not only affordable units but also units that are handicap accessible. The senior and physically limited population have fewer units within the inventory to choose from. When any of these units become available, they are at a premium to obtain and occupy.

Similarly, NDHCD's HOME-ARP survey highlighted a need for affordable housing that provides older adults with support as they age. Seniors are finding it more difficult to age in place while attempting to maintain a home on a fixed income. Norfolk has an abundance of aged housing stock, some of which can still be preserved and others that need to be demolished. When seniors are faced with this looming realization, other housing options are critically needed. Housing is only one portion of the support that seniors require; health and dietary concerns require ongoing social services.

One of the other aspects of housing needed is housing for families with children. Affordability is a critical need but so are housing units that are lead free, safe, and energy-efficient and can be occupied in a manner that does not cause overcrowding.

Identify any gaps within the current shelter and housing inventory as well as the service delivery system:

Based on the data provided above and feedback from housing and homeless service providers in Norfolk, there is a significant gap for affordable rental housing in Norfolk. Poor housing quality and severe cost burden are also issues that threaten housing stability for low-income persons; additional quality housing at an affordable cost would benefit these households. There is also a gap in available services for homeless households with mental health and substance abuse issues, as well as seniors and those with physical limitations. Case management and civil legal services are also a gap for victims and survivors of DV and human trafficking that are not in emergency shelter.

Under Section IV.4.2.ii.G of the HOME-ARP Notice, a PJ may provide additional characteristics associated with instability and increased risk of homelessness in their HOME-ARP allocation plan. These characteristics will further refine the definition of "other populations" that are "At Greatest Risk of Housing Instability," as established in the HOME-ARP Notice. If including these characteristics, identify them here:

No additional characteristics are being added.

Priority needs for qualifying populations

HOME-ARP survey results, gaps analysis, and consultations of Norfolk’s CoC, regional service providers and other trusted agencies show that among all QPs, there is a critical need for quality, affordable rental housing. Supportive services for QPs are an additional priority to ensure stable housing.

Explain how the PJ determined the level of need and gaps in the PJ’s shelter and housing inventory and service delivery systems based on the data presented in the plan:

NDHCD evaluated available data about the area’s shelter and housing inventory and service delivery systems to determine how to address needs and gaps. Survey data, interviews, and rental data show that extremely low and low-income households are often cost-burdened or have severe housing problems, which indicates a need for additional affordable rental units and supportive service provision. Data from YWCA-SHR indicates that there is a need for additional affordable units and supportive services for the domestic violence and human trafficking QP, who do not have enough access to long-term affordable housing and civil legal support.

HOME-ARP Activities

A solicitation for concepts launched in December of 2022 to identify the depth of appetite and breadth of priorities among potential subrecipients, and feasibility of eligible activities given the scope of HOME-ARP project requirements. The City of Norfolk will administer HOME-ARP program funds directly to subrecipients. Eligible activities will be selected through solicitation for full proposals **between Spring 2023 - Fall 2024**, once the City of Norfolk’s HOME-ARP Allocation Plan is approved by HUD.

The Norfolk Department of Housing and Community Development (NDHCD) will administer single-year grants and multi-year grants for projects that require sustained funding over time. The application, solicited through Norfolk’s grants management platform will require participants to identify a plan for how resources will be leveraged against other revenue streams such as CDBG, ESG, and HOME funds, LIHTCs, and National Housing Trust Funds (without duplicating efforts), and managed for the duration of the proposed project. All projects seeking funding will be competitively evaluated based on the overall quality of the content submitted, cost, demonstration of past success in project and/or service delivery, sound financial management, knowledge of and ability to adhere to all federal, state, and local statutes, and alignment of project with established priorities as defined in the final City of Norfolk HOME-ARP Allocation Plan.

Table 4 - Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 2,267,686		
Acquisition and Development of Non-Congregate Shelters	\$ 0		
Tenant Based Rental Assistance (TBRA)	\$ 0		
Development of Affordable Rental Housing	\$ 2,250,000		
Non-Profit Operating	\$ 0	0 %	5%
Non-Profit Capacity Building	\$ 0	0 %	5%
Administration and Planning	\$ 0	6 %	15%

Total HOME ARP Allocation	\$ 4,517,686		
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Describe how the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis:

Norfolk’s HOME-ARP allocation will mainly fund the construction of affordable rental housing to meet the urgent demand of HOME-ARP QPs, with a preference for literal homeless households, including chronic homeless and veteran subpopulations to align with the CoC. Additional funding will support eligible QPs who require supportive services that may not otherwise be available without HOME-ARP funds. Available resources will now be allocated through a competitive solicitation process as follows: Administration and Planning has been decreased from \$267,686 to \$0; Supportive Services has increased from \$500,000 to \$2,267,686; and the Development of Affordable Rental Housing has decreased from \$3,750,000 to \$2,250,000.

Characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis that provide a rationale for the plan to fund eligible activities:

According to the homeless needs assessment for Norfolk, the population of households experiencing homelessness each year is increasing, with estimates for growth of this population far surpassing those exiting homelessness. In fact, all population categories in Table 6 (below) have fewer people exiting homelessness each year than those experiencing homelessness and/or those becoming homeless each year. This concerning trend only compounds the urgency to construct affordable rental housing for Norfolk households.

Table 3 shows that Norfolk needs additional affordable housing units to meet demand, as there currently are not enough affordable units in the city, especially for extremely low and low-income households. These households are more likely to be simultaneously burdened by aging housing stock and housing problems, health and/or mobility issues, crowding, or other challenges; supportive services in this case are critical to ensuring the choice isn’t made between rent and utilities, food, or other necessities. Additional funds could expand supportive services and case management for QPs.

Table 5 – Number of Persons Experiencing Homelessness

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	53	0	215	80	12	176
Persons in Households with Only Children	0	0	0	0	0	0
Persons in Households	416	35	1,652	766	50	298

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
with Only Adults						
Chronically Homeless Individuals	120	4	220	50	8	200
Chronically Homeless Families	0	0	2	2	2	120
Veterans	54	4	210	40	16	180
Unaccompanied Child	9	0	45	15	5	90
Persons with HIV	11	1	44	17	4	298

Source: HMIS Annual Progress Report

HOME-ARP Production Housing Goals

Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:

The City of Norfolk intends to support the production of approximately **100** new or fully renovated affordable rental housing units with HOME-ARP funds for qualifying populations as prioritized within Norfolk’s CoC.

Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how the production goal will address the PJ’s priority needs:

NDHCD will encourage development of new affordable rental housing for eligible QPs in mixed-income and multi-unit buildings, avoiding the concentration of extremely low and low-income households in a building. The city may also support projects that expand permanent supportive housing options for unhoused single adults, who are the largest population with an unmet need in the city. Furthermore, production shall meet or exceed the requirement for accessibility to serve disabled households or households with mobility challenges, which is a growing need in the city.

Preferences

Preferences for qualifying populations and subpopulations

HOME-ARP funding will be in alignment with the CoC that includes Norfolk, therefore a preference will be given to chronically homeless and homeless veteran households. Norfolk will comply with all applicable

nondiscrimination and equal opportunity requirements listed in 24 CFR 5.105(a) and any other applicable fair housing and civil rights laws and requirements. **As requested for specific projects, a preference may be alternatively established for those fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by HUD in Section IV.A of Notice 2021-10.**

For prioritization for referrals to housing programs, the CE prioritization list is sorted dynamically by the recommended program (i.e., Rapid Re-housing (RRH), Transitional Housing (TH), and Permanent Supportive Housing (PSH)). After households are recommended for a housing program, households are prioritized by length of time homeless and score on the housing needs assessment. Additionally, the CoC prioritizes chronically homeless and veteran households.

- Highest Priority: Chronically Homeless Veteran households
 - Housing Assessment Score: highest to lowest
 - Homeless History: longest to shortest
- Homeless Veteran Households
 - Housing Assessment Score: highest to lowest
 - Homeless History: longest to shortest
- Chronically Homeless Households
 - Housing Assessment Score: highest to lowest
 - Homeless History: longest to shortest
- Other Homeless Households
 - Housing Assessment Score: highest to lowest
 - Homeless History: longest to shortest

Preferences and prioritization to address unmet needs or gaps

The use of preferences for literal homeless households will address the need for these households to acquire permanent, supportive, and affordable housing, which has been identified as a critical need in the City of Norfolk. Therefore, Norfolk will prioritize the construction of additional PSH units for HOME-ARP that will offer a combination of housing with access to the types of services and support required to mitigate households returning to homelessness. **In the case of projects that establish a preference for the expanded DV population as defined in Notice 2021-10, prioritization will be based on a separate danger/lethality index unique to the needs of that population.**

Addressing unmet needs and gaps for qualifying populations

HOME-ARP funds will address gaps for qualifying populations by bolstering case management and supportive service capacity for QPs that require additional support to attain housing and remain stabilized once housing has been secured.

Referral Methods

CoC CE referrals will be supplemented by other referral methods to ensure all qualifying populations have access to HOME-ARP projects and activities.

Limitations in a HOME-ARP rental housing or NCS project

All qualifying populations will have access to at least one HOME-ARP project or activity, with preference provided to those experiencing homelessness. No limitations will be implemented in the design of HOME-

ARP projects/activities and the City of Norfolk intends to follow all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105 (a). In some cases, however, local organizations that serve specific subpopulations of qualifying populations due to service model or safety concerns may, in effect, exercise a limitation to populations served (24 CFR 578.93). The City of Norfolk will confer with the HUD Office of Fair Housing and Equal Opportunity in this event to ensure no fair housing violations are present. The City of Norfolk will not preclude such organizations from applying for HOME-ARP funding once the application window opens, especially if they are able to demonstrate an ability to address critically needed housing infrastructure and service needs for local qualifying populations, as identified in the preceding needs assessment and gaps analysis.

HOME-ARP Refinancing Guidelines

The City of Norfolk does not intend to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds.

Appendices

HOME-ARP Public Input Notice Affidavit of Publication – Jul 2022

HOME-ARP Public Input Notice Screenshot from Website - Aug 2022

HOME-ARP Public Input Survey

Public Input Notice from Website – Nov 2022

Public Notice in Virginian Pilot – Nov 2022

HOME-ARP Public Notice in Virginian Pilot – Feb 2023

NOTICE OF PUBLIC INPUT SESSION
City of Norfolk HOME American Rescue Plan Program

All interested parties and individuals are invited to a public input session for the City of Norfolk's HOME American Rescue Plan (HOME ARP) Program, made possible with funds from the US Department of Housing and Urban Development (HUD). HUD awarded the City of Norfolk with \$4,517,686 in HOME ARP funds to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations.

The in-person public input session will be held on **Wednesday, August 3, 2022 at 2:00 PM** on the 6th floor large conference room located in the City Hall Building: 810 Union Street, Norfolk, VA 23510. The purpose of this meeting is to provide information on eligible activities, qualifying populations, and other program-specific requirements. There will also be an opportunity to identify priority needs for use of the funds. Information collected during the meeting will be used to prepare the City's HOME ARP Allocation Plan.

Details to access the meeting virtually may be found at <https://www.norfolk.gov/hudentitlement>.

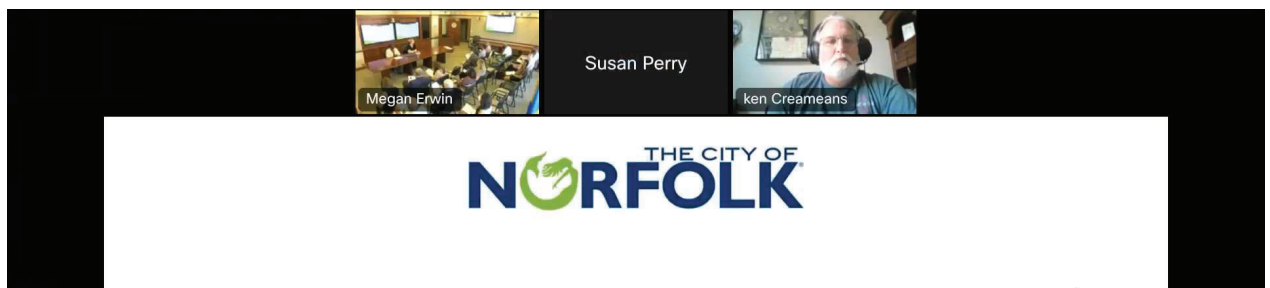
If special assistance for the disabled is needed, please contact the Department of Housing and Community Development at hudentitlement@norfolk.gov or (757) 664-2467. The city will seek to accommodate non-English speaking or hearing-impaired citizens to the best of its ability upon advanced request of at least 10 days. The contact person for the HOME ARP Program is Jessica Lowing Rosenberg, who may be reached at (757) 664-2468 or Jessica.Lowing-Rosenberg@norfolk.gov.

The City of Norfolk does not discriminate on the basis of race, color, religion, national origin, sex, elderliness, familial status, source of funds, sexual orientation, gender identity, military status, disability, or any other basis prohibited by state or federal law in admission, access to, treatment or employment in its federally assisted programs or activities.

Virtual/In-Person HOME-ARP Public Input Session, attendees can join:

- **By Computer:** Meet virtually with [Cisco Webex](#)
- **By Phone:** Call 1(415)655-0002 and use access code 2301 639 2528

The HOME American Rescue Plan Program Input Session concluded on August 3, 2022.





NOTICE OF ANNUAL PUBLIC INPUT SESSION FOR HUD FY 2024 ANNUAL PLAN AND REQUEST FOR PROPOSALS FOR HUD ENTITLEMENT AND PICC GRANTS

The City of Norfolk will hold a hybrid virtual and in-person public input session on **Thursday, December 8, 2022, at 6:00 PM** to discuss the topics described below. The session will be held in the 11th Floor City Council Chambers located in Norfolk's City Hall: 810 Union Street, Norfolk, VA 23510. Instructions on how to join virtually will be posted online at <https://www.norfolk.gov/hudentitlement>. If special assistance is needed for the disabled or for those with limited English proficiency, please contact DHCD at 757-664-4267.

TOPIC 1: PUBLIC INPUT AND REQUEST FOR PROPOSALS: HUD CDBG, ESG, HOME, HOME ARP

The Department of Housing and Community Development (DHCD) requests public input on housing and community development needs and the development of proposed activities in advance of the FY 2024 Norfolk HUD entitlement allocations. This public meeting will focus on the application process, eligible activities, minimum thresholds for grant funding, priority needs, and changes to prior application criteria.

Eligible nonprofit agencies may apply for grants for the FY 2024 grant year (July 1, 2023 – June 30, 2024). Applications will open November 28, 2022, through January 6, 2023, and are available at <https://www.norfolk.gov/HUDentitlement>.

Funded applications will be included in the FY 2024 Annual Plan. The Annual Plan allocates federal resources under the Community Development Block Grant Program (CDBG), HOME Investment Partnership Program (HOME), HOME American Rescue Plan Program (HOME-ARP) and the Emergency Solutions Grant Program (ESG). Through the Plan, the City of Norfolk anticipates distributing approximately \$8-9 million in funds based on federal fiscal year formula allocations.

Interested parties may contact Jacquelyne Wiggins, Bureau Manager, Federal Programs at HUDENTITLEMENT@NORFOLK.GOV; or call 757-664-4267 for additional information or to provide input.

TOPIC 2: REQUEST FOR PROPOSALS: PROGRAM FOR IMPROVING CAPACITY AND CAPABILITY (PICC)

The Department of Human Services will provide information to potential applicants and other interested individuals on the city's new Program for Improving Capacity and Capability (PICC). PICC is a tiered grant program that will provide funding, technical assistance, and mentorship opportunities to established and aspiring nonprofit organizations in Norfolk. This meeting will focus on the application process, eligibility, funding availability, minimum and maximum awards, and priority needs.

Applications will open November 28, 2022, through January 6, 2023, and are available at www.norfolk.gov/PICC.

Interested parties may contact Mike Wasserberg at 757-664-6020 or

michael.wasserberg@norfolk.gov for more information.

The City of Norfolk does not discriminate on the basis of race, color, religion, national origin, sex, elderliness, familial status, source of funds, sexual orientation, gender identity, military status, disability, or any other basis prohibited by state or federal law in admission, access to, treatment or employment in its federally assisted programs or activities.

HOME-ARP CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the participating jurisdiction certifies that:

Affirmatively Further Fair Housing --The jurisdiction will affirmatively further fair housing pursuant to 24 CFR 5.151 and 5.152.

Uniform Relocation Act and Anti-displacement and Relocation Plan --It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It will comply with the acquisition and relocation requirements contained in the HOME-ARP Notice, including the revised one-for-one replacement requirements. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42, which incorporates the requirements of the HOME-ARP Notice. It will follow its residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the HOME-ARP program.

Anti-Lobbying --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and program requirements.

Section 3 --It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 75.

HOME-ARP Certification --It will use HOME-ARP funds consistent with Section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) and the CPD Notice: *Requirements for the Use of Funds in the HOME-American Rescue Plan Program*, as may be amended by HUD, for eligible activities and costs, including the HOME-ARP Notice requirements that activities are consistent with its accepted HOME-ARP allocation plan and that HOME-ARP funds will not be used for prohibited activities or costs, as described in the HOME-ARP Notice.

DocuSigned by:

C45AA22E7D6047B...

Signature of Authorized Official

3/28/2023 | 2:05 PM PDT

Date

City Manager

Title



To the Honorable Council
City of Norfolk, Virginia

March 28, 2023

From: Jack Cloud
Attorney

Subject: HUD FY23 Amend \$4,517,686
HOME Investment Partnerships

Reviewed:

Trista Pope, Deputy City Manager

Ward/Superward:

Approved:

Dr. Larry H. Filer II, City Manager

Item Number: R-03

- I. **Recommendation:** Amend Ordinance
- II. **Applicant:** City of Norfolk, Department of Housing and Community Development
- III. **Description:**
This agenda item is an ordinance to amend the FY 2023 annual appropriation ordinance no. 48,751 so as to accept, appropriate, and authorize the expenditure of grant funds up to the sum of \$4,517,686 from the U.S. Department of Housing and Urban Development (HUD) to develop affordable housing, provide supportive services, and conduct general administration to meet the housing and service needs of Norfolk's homeless populations and other vulnerable populations.
- IV. **Analysis:**
This grant was authorized by the American Rescue Plan Act of 2021 and is administered through the HOME Investment Partnership Program. HOME-ARP funds will primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. Grantees will receive funding to administer eligible HOME-ARP activities that include the development of affordable housing and provision of supportive services. Awards for development of affordable housing and provision of supportive services will be determined based on a competitive application process.
- V. **Financial Impact:**
The total grant award from the U.S. Department of Housing and Urban Development (HUD)

is \$4,517,686 in one-time funding for expenditure by September 30, 2030. No local match is required.

VI. Environmental:

A Part 58 HUD Environmental Review will be required of any award for the development of affordable housing.

VII. Community Outreach/Notification:

Public notification for this agenda item was conducted through the City of Norfolk's agenda notification process. Two public hearings and stakeholder consultations led to the development of the associated HOME-ARP allocation plan.

VIII. Board/Commission Action:

N/A

IX. Coordination/Outreach:

This letter and ordinance have been coordinated with the Department of Housing and Community Development, the City Attorney's Office, and Grants Management.

Supporting Material:

- HOME-ARP Allocation Letter (PDF)

MEMORANDUM

TO: Dr. Larry H. Filer II, City Manager

CC TO: Trista Pope, Deputy City Manager

FROM: Dr. Susan Perry, Director of Housing and Community Development

SUBJECT: (Docket Item R-3) HOME-ARP Grant and Allocation Plan Summary

DATE: March 21, 2023

To help address the household economic impacts of COVID-19, the City of Norfolk was awarded \$4,517,686 in HOME-ARP funds by the U.S. Department of Housing and Urban Development. The HOME-ARP program is designed to benefit those who are homeless, at risk of homelessness, and other qualifying populations, and has unique requirements including the development of an allocation plan.

Over the past year, in preparation for this allocation plan, the Department of Housing and Community Development has completed a needs assessment and gap analysis and solicited public and stakeholder feedback through two public hearings, a digital survey, and about a dozen individual consultation calls with stakeholders. A request for concepts was also solicited in December 2022 to better understand potential project interest by area nonprofit and development organizations.

Funds may be allocated to the following permissible activities: the development of affordable rental housing; tenant-based rental assistance (TBRA); supportive services; the acquisition/development of non-congregate shelter; and reasonable planning and administrative costs for the HOME-ARP program. HUD requires that the allocation reflect the actual needs and gaps identified in the allocation plan.

The HOME-ARP survey results, gaps analysis, and consultations of Norfolk's Continuum of Care, regional service providers and other trusted agencies show that among all qualifying populations, there is a critical need for quality, affordable rental housing. There is also a gap in available services for homeless households with mental health and substance abuse issues, as well as seniors and those with physical limitations. Case management and civil legal services are also a gap for victims and survivors of DV and human trafficking that are not in emergency shelter.

Based on this input and analysis, the plan recommends the allocation of HOME-ARP funding in the following manner: \$3,750,000 for the development of affordable rental housing; \$500,000 for supportive services; and \$267,686 for administration and planning. After incorporating any additional public comment, the allocation plan will be submitted to HUD by the March 31, 2023 deadline. Subsequent to HUD's approval of the allocation plan, specific projects for affordable rental housing and supportive services in Norfolk will be awarded to interested organizations through a competitive application process managed by NDHCD.

For further review, the entire draft allocation plan is available online at: <https://www.norfolk.gov/DocumentCenter/View/75862/HOME-ARP-Allocation-Plan-Draft>

Form and Correctness Approved:

BAP

Pursuant to Section 72 of the City Charter, I hereby certify that the money required for this item is in the city treasury to the credit of the fund from which it is drawn and not appropriated for any other purpose

By: *Jack E. Lord*
Office of the City Attorney

Contents Approved:

Anthony R. Bassett

By: _____
Budget and Strategic Planning

Christine Garczynski

Christine Garczynski, Director of Finance

NORFOLK, VIRGINIA

Ordinance No.

AN ORDINANCE AMENDING THE FY2023 ANNUAL APPROPRIATIONS ORDINANCE (NO. 48,751) SO AS TO ACCEPT, APPROPRIATE AND AUTHORIZE THE EXPENDITURE OF GRANT FUNDS UP TO THE SUM OF \$4,517,686 FROM THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN GRANT PROGRAM (HOME-ARP) TO DEVELOP AFFORDABLE RENTAL HOUSING, PROVIDE SUPPORTIVE SERVICES, AND CONDUCT GENERAL ADMINISTRATION TO MEET THE HOUSING AND SERVICE NEEDS OF HOMELESS POPULATIONS AND OTHER VULNERABLE POPULATIONS IN THE CITY OF NORFOLK.

- - -

BE IT ORDAINED by the Council of the City of Norfolk:

Section 1:- That the FY2023 annual appropriations ordinance (No. 48,751) is amended and reordained so as to add Section 14 subparagraph (zzzz) in its entirety to read as follows:

(zzzz) That, if and when made available from the United States Department of Housing and Urban Development for the Home Investment Partnerships-American Rescue Plan Grant Program (HOME-ARP), the sum of up to four million five hundred seventeen thousand six hundred eighty six dollars (\$4,517,686.00) is hereby appropriated and authorized for expenditure to develop affordable rental housing, provide supportive services, and conduct general administration to meet the housing and service needs of homeless populations

and other vulnerable populations in the City of Norfolk.

Section 2:- That this ordinance shall be in effect from and after the date of its adoption.

EXHIBITS: None

CERTIFICATION OF FUNDING

Account No.: 2275-47-9857-9857-FY23

Name: Administration and Planning

Amount: \$267,686

CERTIFICATION OF FUNDING

Account No.: 2275-32-9858-9858-FY23

Name: Supportive Services

Amount: \$500,000

CERTIFICATION OF FUNDING

Account No.: 2275-32-9859-9859-FY23

Name: Affordable Rental Housing

Amount: \$3,750,000

Award Notification Letter

Dear Elizabeth Nice,

Congratulations! An award package has been created for the following program:

Project: Gosnold II Apartments

Program: FY 2024 Community Development Block Grant

Approved Amount: \$740,075.00

Federal Awards:

- ORG0216 FY 2024 Community Development Block Grant: \$740,075.00
 - Agency: US Department of Housing and Urban Development
 - Fiscal Year: 2024
 - CFDA: 14.218

Total Federal: \$740,075.00

Other Awards: No non-federal funds were included in this award.

Total Match: \$0.00

Period of Performance: 07/01/2023 - 06/30/2024

July 9, 2024

Allison Bogdanovic, Executive Officer
Virginia Supportive Housing
PO Box 8585
Richmond, VA 23226

Re: Extension of Term for the FY 2024 CDBG Virginia Supportive Housing Gosnold II Apartment Program

Dear Ms. Bogdanovic:

Per Article II of your contract, at its discretion, the City is extending the term of the following FY 2024 contract to **June 30, 2026** to provide additional time to fulfill The Virginia Supportive Housing's obligations as specified in Exhibit A:

FY 2024 CDBG Virginia Supportive Housing Gosnold II Apartment Program **CT-47-000029541**

The Scope of Service under this Extension shall remain the same as in the Contract.

As a condition of this extension and to assist the City in meeting the CDBG timeliness requirements, we respectfully request that the CDBG funds be the first source utilized toward the rehabilitation expenses.

The acknowledgement of this Extension letter shall indicate acceptance of its terms and conditions. All other terms, conditions, provisions, and exhibits of the Contract, to the extent not inconsistent with this Extension or contrary to federal, state or local law, shall remain in full force and effect.

Sincerely,



Jacquelyne Wiggins, Bureau Manager Housing and Community Development

Cc: Megan Erwin. Asst. Director, Housing and Community Development

Annual Plan



ANNUAL PLAN

The City of Norfolk is an entitlement city for receipt of Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Solutions Grant (ESG) funds distributed by the U.S. Department of Housing and Urban Development (HUD). As required by federal regulations, HUD entitlement funds must be used to support projects that assist low-income residents, remove slum and/or blight, or respond to urgent needs (disaster relief). Eligible activities include affordable housing projects such as rehabilitation, homebuyer assistance, public services and improvements to public facilities, such as parks, streets, and community centers.

HUD regulations require that every three to five years participating jurisdictions prepare a Consolidated Plan. The Plan is a comprehensive planning document that details how the city will spend its federal funding during the five-year period. It also identifies opportunities for strategic planning and resident participation using a comprehensive approach. The Consolidated Plan enables the city, community-based organizations, and citizens to provide input that directs the scope of activities upon which to focus during the plan period.

For the upcoming Consolidated Plan period (FY 2022 – FY 2026), the city will continue to focus on programs and services designed to benefit low-income residents of Norfolk. Efforts outlined in the Consolidated Plan are identified utilizing HUD's Performance Objectives: Provide Decent Housing, Create Suitable Living Environments, and Create Economic Opportunities.

During the five-year period, the city must prepare Annual Action Plans. The Annual Action Plan is a summary of the annual objectives that the City of Norfolk expects to achieve during the upcoming year. The Plan describes the activities to be undertaken, the funding recommendations for those objectives, affordable housing goals, homeless needs, barriers to affordable housing, and community development objectives. It describes priority projects for neighborhood revitalization, public improvements, housing development, economic development, public services, and activities to reduce homelessness. Fiscal Year 2024 is the third year of the City of Norfolk's FY 2022 through FY 2026 Consolidated Plan period.

CDBG Entitlement	4,427,961
CDBG Local Account	0
CDBG Prior Year Reappropriation	0
CDBG Program Income (estimated)	427,114
Total Community Development Block Grant Program	4,855,075
Emergency Solutions Grant (ESG) Program	389,791
HOME Investment Partnerships Grant	1,413,815
HOME Prior Year Reappropriation	0
HOME Program Income & Recaptured Funds	395,367
Total HOME Program	1,809,182
Total Resources	7,054,048

Community Development Block Grant Program (CDBG)

The CDBG Program was created over 40 years ago under the administration of President Gerald R. Ford. The CDBG Program allows local officials and residents unprecedented flexibility in designing programs within a wide range of eligible activities. Since its inception, the goal of the CDBG program has remained the same: to encourage more broadly conceived community development projects and expand housing opportunities for people living in low- to moderate-income households. The city's proposed budget for the FY 2024 CDBG Entitlement Program is \$4,855,075.

COMPARISON OF GRANT RESOURCES - FY 2023 to FY 2024				
	FY 2023 Adopted	FY 2024 Proposed	Inc/Dec Amount	% Difference
CDBG Entitlement	4,554,454	4,427,961	-126,493	-2.78%
CDBG Local Account	35,000	0	-35,000	-100%
CDBG Prior Year Reappropriation	0	0	0	0%
CDBG Program Income	0	427,114	427,114	100%
CDBG Total	4,589,454	4,855,075	265,621	5.78%
ESG Total	384,637	389,791	5,154	1.3%
HOME Entitlement	1,246,498	1,413,815	167,317	13%
HOME Prior Year Reappropriation	0	0	0	0%
HOME Program Income	211,114	395,367	184,253	87.27%
HOME Total	1,457,612	1,809,182	351,570	24%
Grand Total	6,431,703	7,054,048	622,345	9.67%

CDBG entitlement is divided into three sections: public service, administration, and project use.

HOME Investment Partnerships Program (HOME)

HOME Program funds are used to provide income-qualified first-time home buyers with an opportunity to become homeowners. The HOME Program also supports tenant-based rental assistance for previously homeless individuals, as a resource in its efforts to end homelessness. Funds also support the new construction of affordable single-family homes through partnerships with local Community Housing Development Organizations (CHDOs).

Emergency Solutions Grant Program (ESG)

The ESG program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly rehouse homeless individuals and families, and (6) prevent families/individuals from becoming homeless.

Administration of HUD Entitlement Programs

The Department of Housing and Community Development administers the HUD Entitlement Program. This operational relationship facilitates the opportunity to effectively utilize the HUD entitlement program to achieve city priorities.

Community Development Public Service	FY 2022 Adopted	FY 2023 Adopted	FY 2024 Proposed
LGBT Life Center CHAP Norfolk	33,840	38,285	38,000
LGBT Life Center Mental Health Services	0	59,724	0
Foodbank of Southeastern Virginia Lead the Effort to Eliminate Hunger in Norfolk	0	75,000	75,000
ForKids Permanent Supportive Housing Solutions	0	35,000	35,000
Norfolk Housing and Housing Authority HomeNet Program	56,894	60,000	75,000
Norfolk Community Services Board- TBRA Housing Case Management	0	122,402	0
Park Place Health and Dental Clinic	30,080	35,000	40,000
St. Columba Ecumenical Ministries Homeless Advocate and Day Center Assistant	20,653	35,000	35,000
The Planning Council Continuum of Care	58,475	58,475	62,000
6 Virginia Supportive Housing-Supportive Services at Gosnold and Church Street Station Apartments	90,000	90,000	90,000
Endeppence Center – Norfolk Disability Community Housing and Supportive Services	0	0	55,000
Teens with a Purpose-BeCause Better Choices	0	0	50,000
The Up Center – Early Childhood Home Visiting Services (ECHV)	0	0	35,000
Total CDBG Public Service	625,706	608,886	590,000

Community Development Project Use / Planning and Administration	FY 2022 Adopted	FY 2023 Adopted	FY 2024 Proposed
Department of Housing and Community Development-Renovate Norfolk	500,000	500,000	200,000
Department of Economic Development-Capital Access Program	460,000	480,000	250,000
City of Norfolk Grant Administration and Planning	690,406	830,568	750,000
Hunton YMCA Acquisition	0	1,000,000	0
Department of Public Works Norfolk Fire-Rescue Department	1,350,000	1,000,000	0
Accessible Space, Inc – The Anchorage Apartments Capital Improvement Project	0	170,000	0
Home of VA – Fair Housing Enforcement and Investigations Program	0	0	50,000
Norfolk Fire-Rescue – 2024 Fire Equipment (Ladder Truck)	0	0	1,500,000

Virginia Supportive Housing – Gosnold II Apartments	0	0	740,075
Norfolk Parks & Recreation – Chesterfield Pool Renovations	0	0	200,000
Norfolk Parks & Recreation – Pollard Street Park Improvements	0	0	575,000
Total CDBG Project Use	6,400,406	3,980,568	4,265,075

Emergency Solutions Grant Program	FY 2022 Adopted	FY 2023 Adopted	FY 2024 Proposed
ForKids, Inc. Haven House Emergency Shelter Program	51,441	72,000	50,000
ForKids, Inc. Homeless Prevention Program	68,159	64,069	65,561
ForKids, Inc Rapid Rehousing	61,340	61,068	65,000
Department of Housing and Community Development – ESG Administration	28,137	28,800	29,230
St. Columba Ecumenical Ministries, Inc. Day Center Emergency Shelter	26,072	26,872	25,000
The Salvation Army HOPE Emergency Shelter Program	38,000	56,828	20,000
The Salvation Army Hope Center Homeless Day Service	0	0	55,000
YWCA of South Hampton Roads Women in Crisis Emergency Shelter Program	57,064	75,000	60,000
Norfolk Community Services Board-Street Outreach	0	0	20,000
Total Emergency Solutions Grant Program	384,637	384,637	389,791

HOME Investment Partnership Program	FY 2022 Adopted	FY 2023 Adopted	FY2024 Proposed
NRHA Community Housing Development Organization Set Aside	187,000	187,000	212,073
NRHA HOME Administration	124,649	124,600	141,380
NRHA Homebuyer Assistance Program	750,000	846,012	1,014,729
Norfolk Community Services Board Tenant-Based Rental Assistance	236,474	300,000	441,000
Total HOME Investment Partnership Program	1,298,123	1,457,612	1,809,182

Form and Correctness Approved:

BAP

Pursuant to Section 72 of the City Charter, I hereby certify that the money required for this item is in the city treasury to the credit of the fund from which it is drawn and not appropriated for any other purpose

By: *Jude E. Lord*
Office of the City Attorney

Contents Approved:

Shenette Felton
Shenette Felton, Director of Finance

By: *Cathy R. Burtch*
Budget and Strategic Planning

NORFOLK, VIRGINIA

R-1 ORDINANCE NO. 49,220

AN ORDINANCE APPROPRIATING FUNDS FOR OPERATION OF THE CITY FOR THE FISCAL YEAR BEGINNING JULY 1, 2023 AND ENDING JUNE 30, 2024, APPROPRIATING U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) ENTITLEMENT GRANTS, APPROPRIATING ANNUAL REOCCURRING GRANTS, REGULATING THE PAYMENT OF MONEY FROM THE CITY TREASURY, AND AMENDING AND REORDAINING CHAPTERS 12 (CEMETERIES), 24 (LICENSES AND TAXATION), 41 (SOLID WASTE), AND 41.1 (STORMWATER MANAGEMENT) SO AS TO INCREASE VARIOUS FEES FOR THE PROVISION OF SERVICES.

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WHEREAS, the City Manager submitted to the Council a proposed annual budget for the city for the fiscal year beginning July 1, 2023 and ending June 30, 2024, which has been amended by the Council, and it is necessary to make appropriations sufficient to fund said budget and to regulate the payment of money from the city treasury; now, therefore,

BE IT ORDAINED by the Council of the City of Norfolk:

Section 1:- That the amounts shown herein aggregating One Billion Seventy Nine Million Two Hundred Forty Five Thousand Twenty Eight Dollars (\$1,079,245,028) for the General Fund, One Hundred Seven Million Four Hundred Ninety Six Thousand Two Hundred Fifty Seven Dollars (\$107,496,257) for the Water Utility Fund, Thirty Seven Million Four Hundred Forty Four Thousand Two Hundred Forty Dollars (\$37,444,240) for the Wastewater Utility Fund, Twenty One Million Three Hundred Eighteen Thousand Four Hundred Eighty Seven Dollars (\$21,318,487) for the Parking Facilities Fund, Twenty Three Million Seven Hundred Twenty One Thousand Eight Hundred Fifty Four Dollars (\$23,721,854) for the Storm Water Utility Fund, One Hundred Five Million Seven Hundred Thousand Five Hundred Thirty Eight Dollars (\$105,700,538) for the Norfolk Healthcare Consortium Fund, Twelve Million Nine Hundred Fourteen Thousand Nine Hundred Ninety Five Dollars (\$12,914,995) for the Fleet Management Fund, Two Million Two Hundred Twenty Thousand Fifty Dollars (\$2,220,050) for the Cemetery Services Fund, Seven Million Twenty Three Thousand Three Hundred Eighty Three Dollars (\$7,230,383) for the Emergency Preparedness and Response Fund, Fifteen Thousand Dollars (\$15,000) for the Golf Operations Fund, Twenty Three Million Seven Hundred Fifty Six Thousand Nine Hundred Ninety Three Dollars (\$23,756,993) for the Waste Management Fund, Eight Million Six Hundred Fifty One Thousand Dollars (\$8,651,000) for the Public Amenities Fund, Eight Million Five Hundred Thirty Six Thousand Dollars (\$8,536,000) for the Tax Increment Financing Fund, One Million Eight Hundred Thirteen Thousand Seven Hundred Eighty Seven Dollars (\$1,813,787) for the Towing and Recovery Operations Fund, or so much thereof as may be necessary, as set forth in the annual budget for the fiscal year July 1, 2023 - June 30, 2024, submitted by the City Manager and as amended by the Council and hereby adopted, are hereby appropriated, subject to the conditions hereinafter set forth in this ordinance, from the revenues of the city from all sources for the fiscal year July 1, 2023 - June 30, 2024, for the use of the several departments and funds established within the City Government, and for the purposes hereinafter set forth in said annual budget for the fiscal year July 1, 2023 - June 30, 2024 as follows:

Legislative	\$6,378,474
Executive	\$19,321,880
Department Of Law	\$5,963,932
Constitutional Officers	\$62,793,765
Judicial	\$1,522,739
Elections	\$1,179,525
Department Of Information Technology	\$21,243,061
Department Of Finance	\$8,283,788
Department Of General Services	\$31,269,174
Department Of Human Resources	\$5,043,080
Department Of City Planning	\$6,416,205
Department Of Neighborhood Services	\$6,935,607
Department Of Economic Development	\$3,375,939
Norfolk Public Libraries	\$10,981,220
Department Of Cultural Facilities, Arts And Entertainment	\$6,865,561
Virginia Zoological Park	\$5,042,106
Nauticus	\$4,776,144
Slover Library	\$2,971,111
Department Of Parks And Recreation	\$21,962,524
Central and Outside Agency Appropriations	\$73,913,566
Norfolk Community Services Board	\$31,348,922
Department Of Public Health	\$3,400,665
Department Of Human Services	\$55,770,320
Department Of Police	\$83,392,494
Department Of Fire - Rescue	\$58,844,372
Department Of Public Works	\$22,188,536
Department Of Transit	\$12,119,902
Debt Service	\$101,365,244
Norfolk Public Schools	\$404,575,172
Total Appropriations General Fund – Operating Budget	\$1,079,245,028

Water Utility Fund	\$107,496,257
Wastewater Utility Fund	\$37,444,240
Parking Facilities Fund	\$21,318,487
Storm Water Utility Fund	\$23,721,854
Norfolk Healthcare Consortium Funds	\$105,700,538
Fleet Management Fund	\$12,914,995
Cemetery Services Fund	\$2,220,050
Emergency Preparedness And Response Fund	\$7,023,383
Golf Operations Fund	\$15,000
Waste Management Fund	\$23,756,993
Public Amenities Fund	\$8,651,000
Tax Increment Financing Fund	\$8,536,000
Towing and Recovery Operations Fund	\$1,813,787
Total Operating Funds	\$1,439,857,612

Section 2:- That unless otherwise specified by Council, all taxes and fees heretofore levied shall continue from year to year at their current rates, and the continuance of those current rates is hereby deemed necessary. To the extent any taxes or fees are increased elsewhere within this ordinance, such increases, including but not limited to any increases provided pursuant to **Section 58.1-3321** of the Code of Virginia, 1950, as amended, are hereby deemed necessary.

Section 3:- That the salaries and wages set forth in detail in said annual budget, including for the City Manager, as amended, and for offices and positions which are not embraced within said compensation plan are hereby authorized.

The positions, except where the number thereof is not under the control of the Council, set forth in said annual budget, as amended, shall be the maximum number of positions authorized for the various departments, divisions, bureaus and funds of the city during the fiscal year July 1, 2023 - June 30, 2024 and the number may be changed during said fiscal year as authorized by the Council or City Manager.

Unless the city's compensation plan provides otherwise, changes in personnel occurring during said fiscal year in classifications embraced within the city's compensation plans shall be administered by the City Manager in accordance with the regulations for the administration of the plans.

In the event any personnel authorized in the preceding year's annual budget and appropriations are notified of release due to a reduction in force, reorganizations or workforce downsizing or the staffing and organization redesign effort, such positions are hereby authorized to continue in existence until such time as adopted procedures relating to reductions in force or work force downsizing, or the staffing and organizational redesign effort are completed and implemented in accordance with its terms and conditions.

The Council hereby provides Norfolk Employees' Retirement System (NERS) retirees who were receiving a retirement benefit on or before June 30, 2022 and had a minimum of 20 years creditable service a one-time six hundred dollar (\$660.00) supplemental payment and directs the NERS Board to administer this supplement on behalf of the City.

The Council reserves the right to change at any time during said fiscal year the compensation, including pay supplements for constitutional officers, either before or after a change in basic salary is made by the State Compensation Board, and to abolish any office or position provided for in said annual budget, as amended, except such offices or positions as it may be prohibited by law from abolishing. The City Manager is authorized to make such rearrangements and reorganizations of positions and personnel services funds between the several departments, including funds named therein, as may best meet the uses and interests of the city.

No person shall acquire any vested interest in any compensation or supplement payable under this section beyond those actually paid.

Section 4:- That all payments from the appropriations provided for in this ordinance, including those from balances remaining on June 30, 2023, to the credit of appropriations for works, improvements or other objects which have not been completed or abandoned, except those works, improvements or other objects funded by Federal, State, or other organizational grants which are hereby encumbered, shall be made at such time as the City Manager may direct, unless otherwise specified by the Council. The City Manager is hereby authorized to apply for grants and awards during the fiscal year.

Section 5:- That within several departments, funds and activities, there are hereby appropriated sufficient amounts to cover the operation of all Internal Service Funds, including the Healthcare and Fleet Management Funds. Charges for services assessed against said departments, funds and activities by the Internal Service Funds shall be accumulated in the appropriate internal service fund and expended to cover the operating costs of such funds as provided in the annual budget.

Any unexpended balances in the amounts appropriated for the Healthcare Fund at the close of business on June 30, 2023, shall not revert to the surplus of the Healthcare Fund, but shall be carried forward on the books of the Director of Finance and be available for expenditure in the succeeding year.

Section 6:- That the various amounts appropriated by this ordinance for the several groups, as set forth in the annual budget, as amended, are to be expended for the purposes designated by said groups, provided, however, that the City Manager or a designee may authorize the transfers between account groups within departments, funds or activities of the city and a record of such transfers shall be maintained by the Director of Finance.

The City Manager or a designee is authorized to transfer from any department, fund or activity which has an excess of funds appropriated for its use of the balance of the fiscal year to any department, activity or fund all or any part of such excess, or to cause such transfers to be made, a record of all such transfers shall be maintained by the Director of Finance.

Any unexpended balances in the amounts appropriated for the Department of Public Works and Department of Transit for Street Construction and Maintenance Projects, Public Amenities Fund, Tourism Infrastructure Repair, Downtown Service District (sometimes referred to as the Downtown Improvement District), the city's Program for Improving Capacity and Capability (PICC) and Economic Inclusion Grant funds, Two Hundred Fifty Thousand Dollars (\$250,000) from the Department of Communications, and the Norfolk Consortium at the close of business on June 30, 2023 shall not revert to the surplus of the General Fund, but shall be carried forward on the books of the Director of Finance and be available for expenditure as appropriated in the succeeding year.

There are hereby appropriated the revenues from the fiscal year 2015 Five cent (\$0.05) cigarette tax increase and the fiscal year 2017 Five cent (\$0.05) cigarette tax increase for development initiatives. The City Manager is hereby authorized to reserve the balance of the revenues supported by the cigarette tax increases for the purpose of business retention, feasibility analysis, debt service, and other economic development activities subject to Council authorization for expenditure. Any unspent funds at the end of the fiscal year will be transferred to the Norfolk Economic Development Authority and will not become a part of the General Fund Balance. The aforementioned unspent funds will be expended for the purpose of business retention, feasibility analysis, debt service, and other economic development activities.

The City Manager shall provide to the City Council a mid-year budget update. Such mid-year budget update shall report the projected revenue and expenditure estimates for the entire fiscal year, receipt of unbudgeted revenues, and other major changes to the adopted budget.

There is hereby reserved in the General Fund Balance up to the amount of Sixty Six Million Eighty Five Thousand Three Hundred Thirty Seven Dollars (\$66,085,337) for the Unassigned General Fund Balance Reserve.

There is hereby reserved in the General Fund Balance the amount of Eight Million Dollars (\$8,000,000) for the Risk Management Reserve.

There is hereby reserved in the General Fund Balance the amount of Five Million Dollars (\$5,000,000) for the Economic Downturn and Leveling Reserve.

There is hereby reserved in the General Fund Balance the amount of Two Million Dollars (\$2,000,000) for the Inclusive Development Opportunity Fund.

There is hereby reserved in the General Fund Balance up to the amount of Five Million Five Hundred Sixty Seven Thousand Five Hundred Eleven Dollars (\$5,567,511) in the revolving fund for strategic land acquisitions to be expended for future land acquisitions. Unless otherwise appropriated, the proceeds of future land sales shall be deposited in the Land Acquisition Fund during the fiscal year. Such deposits are hereby appropriated for future land acquisitions. Any unobligated appropriation in the Land Acquisition/Revolving Fund for the purchase of property and related transactional costs that have not been finalized at the close of the fiscal year ending on June 30, 2023, is hereby reserved for the Land Acquisition/Revolving Fund and shall be carried forward on the books of the Director of Finance and appropriated and available for expenditure in the succeeding year for the aforementioned purchase of property and related transactional costs.

There is hereby appropriated and authorized for expenditure the revenues, if and when received, from the fiscal year 2006 flat tax increase of one dollar (\$1.00) per room for each night of lodging at any hotel to the Norfolk Convention and Visitors Bureau (Visit Norfolk) for visitor promotion and advertising for conventions and tourism and from the fiscal year 2012 flat tax increase of one dollar (\$1.00) per room for each night of lodging at any hotel to the Norfolk Consortium.

There is hereby reserved in the General Fund Balance an amount of up to Three Million Dollars (\$3,000,000) for a rate stabilization fund for expenditure for the Parking Facilities Fund, said amount shall be carried forward on the books of the Director of Finance and appropriated for parking expenses and available for expenditure in the succeeding year.

There is hereby authorized, in accordance with guidelines established by the City Manager, the execution of warrants for the disbursement of any cash in banks credited to the City's Corporate Account to meet any properly authorized and approved payment chargeable to any account of the city.

Unless otherwise specified by any other provision of local, state or federal law, operating funds appropriated to Norfolk Public Schools that have not been expended or contractually obligated at the end of the fiscal year are deemed local dollars and shall revert to the city for re-appropriation by City Council.

There are hereby appropriated and authorized for expenditure the revenues from the fiscal year 2014 Two cent (\$0.02) real estate tax increase for the School Construction, Technology and Infrastructure Program. The City Manager is hereby authorized to expend and reserve the School Construction, Technology and Infrastructure Program supported by the Two cent (\$0.02) real estate tax increase to support the needs of Norfolk Public Schools. For the purposes of policy governing the allocation of local revenue to Norfolk Public Schools, this revenue is defined as a dedicated local tax, therefore, excluded from the revenue-sharing formula calculation. Any unexpended balances in the amounts appropriated shall not revert to the surplus of the General Fund, but solely be dedicated to the School Construction, Technology and Infrastructure Program and shall be carried forward on the books of the Director of Finance and appropriated and available for expenditure in the succeeding year.

There is hereby appropriated an amount equal to One-cent (\$0.01) of the real estate tax to support the city's resilience initiatives. For the purposes of policy governing the allocation of local revenue to Norfolk Public Schools, this revenue is defined as a dedicated local tax, therefore, excluded from the revenue-sharing formula calculation. Any unexpended balances in the amounts appropriated shall not revert to the surplus of the General Fund, but solely be dedicated to the Resilience Program and shall be carried forward on the books of the Director of Finance and appropriated and available for expenditure in the succeeding year.

There is hereby appropriated and authorized for expenditure the revenue from the One and nine-tenths (\$0.019) cent real estate tax for the St. Paul's People First and Redevelopment Program. For the purposes of policy governing the allocation of local revenue to Norfolk Public Schools, this revenue is defined as a dedicated local tax, therefore, excluded from the revenue-sharing formula calculation. Any unexpended balances in the amounts appropriated shall not revert to the surplus of the General Fund, but solely be dedicated to the St. Paul's People First and Redevelopment Program and shall be carried forward on the books of the Director of Finance and appropriated and available for expenditure in the succeeding year.

There is hereby appropriated and authorized for expenditure for Norfolk Public Schools operating support, if and when received, the 29.55 percent of the local gaming tax revenue and 29.55 percent of the non-dedicated local revenue generated from the temporary casino, when it opens. Non-dedicated local revenue sources are defined in the Local Revenue Allocation Policy, Resolution No 1,710 (effective May 22, 2018) as "Non-Dedicated Local Tax Revenue."

Section 7:- That the FY 2024 Annual Plan, (Consolidated Plan Fiscal Years 2022-2026) for the Community Development Block Grant Program, HOME Investment Partnership Program and Emergency Solutions Grant Program attached hereto, having been reviewed and found to be in the best interests of the city, is hereby approved.

Section 8:- That, if and when made available from the U.S. Department of Housing and Urban Development (HUD), the sum of up to Four Million Four Hundred Twenty Seven Thousand Nine Hundred Sixty One Dollars (\$4,427,961) is hereby appropriated and authorized for expenditure for the Community Development Block Grant Program (2023-2024) from the Community Development Block Grant and when such funds are realized as Program Income and earnings from the Revolving Loan Fund.

Section 9:- That the sum of up to Four Hundred Twenty-Seven Thousand One Hundred Fourteen Dollars (\$427,114) is hereby appropriated and authorized for expenditure for the Community Development Block Grant Program (2023-2024), if and when received from the Community Development Block Grant Program Income.

Section 10:- That, if and when made available from the U.S. Department of Housing and Urban Development (HUD), the sum of up to One Million Eight Hundred Nine Thousand One Hundred Eighty-Two Dollars (\$1,809,182) is hereby appropriated and authorized for expenditure for the HOME Investment Partnership Program (2023-2024) from the HOME Investment Partnership Program Grant and when such funds are realized as Program Income.

Section 11:- That, if and when made available from the U.S. Department of Housing and Urban Development (HUD), the sum of up to Three Hundred Eighty-Nine Thousand Seven Hundred Ninety One Dollars (\$389,791) is hereby appropriated and authorized for expenditure for the Emergency Solutions Program (2023-2024) from the Emergency Solutions Grant.

Section 12:- That the City Manager is designated as the certifying officer and authorized representative of the City of Norfolk and shall provide the assurance required by the provisions of the Housing and Community Development Act of 1974, as amended, and the regulations adopted pursuant to such Act.

Section 13:- That the City Manager is further authorized and directed to give to the U.S. Department of Housing and Urban Development (HUD) and the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, documents and other materials which are related to the grant funds and is further authorized and directed to do all things necessary and proper to apply for, accept, receive and modify current and prior year grant funds to carry out the program.

Section 14:- That the reoccurring grants listed below, having been reviewed and found to be in the best interest of the city, are hereby accepted, appropriated and authorized for expenditure if and when received.

(a) That, if and when made available from the Supreme Court of Virginia, the sum of up to Two Hundred Forty Thousand Dollars (\$240,000) is hereby appropriated and authorized for expenditure for the Adult Drug Court Program from Adult Drug Treatment Court grant.

(1) That a local cash match of up to Seventy-Eight Thousand Five Hundred Dollars (\$78,500) in appropriated funds and up to Thirty Thousand Dollars (\$30,000) in program

fees are hereby authorized to be expended for the Adult Drug Court Program from the Circuit Court Judges General Fund Account.

(b) That, if and when made available from U.S. Department of Health and Human Services, the sum of up to Six Million Five Hundred Thousand Dollars (\$6,500,000) is hereby appropriated and authorized for expenditure for the Ryan White HIV/AIDS Program - Part A HIV Emergency Relief from the Ryan White HIV/AIDS grant.

(c) That, if and when made available from the Virginia Department of Criminal Justice Services, the sum of up to One Million Three Hundred Seventy Five Thousand Dollars (\$1,375,000) is hereby appropriated and authorized for expenditure for the Norfolk Criminal Justice Services (NCJS) Agency from the Comprehensive Community Corrections Act grant.

(1) That a local cash match of up to Eighty-Eight Thousand Nine Hundred Thirty Two Dollars (\$88,932) in appropriated funds is hereby authorized to be expended for the Norfolk Criminal Justice Services (NCJS) Agency from the City Manager General Fund Account.

(d) That if and when made available from Virginia Department of Historic Resources, the sum of up to Sixty Thousand Dollars (\$60,000) is hereby appropriated and authorized for expenditure for the Certified Local Government Grant.

(1) That a local cash match of up to Twenty Thousand Dollars (\$20,000) in appropriated funds is hereby authorized to be expended for the Certified Local Government Grant from the City Planning General Fund Accounts.

(e) That if and when made available from Commonwealth of Virginia Compensation Board, the sum of up to Two Hundred Forty-Seven Thousand Dollars (\$247,000) is hereby appropriated and authorized for expenditure for the Technology Program from the Virginia Technology Trust Fund.

(f) That, if and when made available from Virginia Department of Criminal Justice Services, the sum of up to Forty-Five Thousand Dollars (\$45,000) is hereby appropriated and authorized for expenditure for the Virginia Sexual and Domestic Violence Victims Fund Paralegal from the Virginia Sexual and Domestic Violence Victims Fund.

(g) That, if and when made available from Virginia Department of Criminal Justice Services, the sum of up to Eighty-Seven Thousand Dollars (\$87,000) is hereby appropriated and authorized for expenditure for the Prosecution Program from the Violence Against Women Act VSTOP Grant Program.

(1) That a local cash match of up to Twenty-Nine Thousand Dollars (\$29,000) in appropriated funds is hereby authorized to be expended for the Prosecution Program from the Commonwealth's Attorney General Fund Account.

(h) That, if and when made available from Virginia Department of Criminal Justice Services, the sum of up to One Hundred Fourteen Thousand Dollars (\$114,000) is hereby appropriated and authorized for expenditure for the Victim Services Program from the Victims of Crime Act Grant Program.

(i) That, if and when made available from the Virginia Department of Criminal Justice Services, the sum of up to One Hundred Ninety Thousand Dollars (\$190,000) is hereby appropriated and authorized for expenditure for the Victims of Crime Act Victims Services Grant Program restoration funding.

(j) That, if and when made available from Virginia Department of Criminal Justice Services, the sum of up to Seven Hundred Thirty Thousand Dollars (\$730,000) is hereby appropriated and authorized for expenditure for the Victim Services Program from the Victim Witness Assistance Grant Program.

(k) That, if and when made available from revenues collected from fines and fees related to the State Asset Forfeiture collections, the sum of Sixty-Five Thousand Dollars (\$65,000) is hereby appropriated and authorized for expenditure for purposes authorized pursuant to the Commonwealth of Virginia's forfeiture statutes, including the cost of investigations, training, equipment, and other law enforcement operations.

(l) That, if and when made available from COX Communications Hampton Roads, LLC, the sum of up to One Hundred Thousand Dollars (\$100,000) is hereby appropriated and authorized for expenditure for the Public Education Program from the Public Education Grants (PEG).

(m) That, if and when made available from Virginia Department of Emergency Management, the sum of up to Two Million Fifteen Thousand Dollars (\$2,015,000) is hereby appropriated and authorized for expenditure for the Flood Mitigation Assistance Program from the Flood Mitigation Assistance Grant.

(1) That a local cash match of up to One Hundred Seventy-Nine Thousand Dollars (\$179,000) in appropriated funds is hereby authorized to be expended for the Flood Mitigation Assistance Program from the Emergency Preparedness and Response Fund Account.

(n) That, if and when made available from Virginia Department of Emergency Management, the sum of up to One Hundred Fourteen Thousand Dollars (\$114,000) is hereby appropriated and authorized for expenditure for the Local Emergency Management Program from the Local Emergency Management grant.

(1) That a local cash match of up to One Hundred Fourteen Thousand Dollars (\$114,000) in appropriated funds is hereby authorized to be expended for the Local Emergency Management Program from the Emergency Preparedness and Response Fund Account.

(o) That, if and when made available from Commonwealth of Virginia - Virginia 9-1-1 Services Board, the sum of up to Three Thousand Dollars (\$3,000) is hereby appropriated and authorized for expenditure for the Public Safety Answering Point Program from the Virginia Information Technologies Agency - Public Safety Answering Point grant.

(p) That, if and when made available from the U.S. Department of Homeland Security, Federal Emergency Management Assistance, the sum of up to One Million One Hundred Eighty-Two Thousand Dollars (\$1,182,000) is hereby appropriated and authorized for expenditure for the purchase of a fire rescue vehicle from the Assistance to Firefighters Grant.

(1) That a local cash match of up to One Hundred Eighteen Thousand Two Hundred Dollars (\$118,200) is hereby authorized to be expended for the purchase of a fire rescue vehicle.

(q) That, if and when made available from Virginia Department of Fire Programs, the sum of up to One Million Two Hundred Thousand Dollars (\$1,200,000) is hereby appropriated and authorized for expenditure for the Aid to Localities Program from the Virginia Department of Fire Programs - Aid to Localities Grant.

(r) That, if and when made available from Virginia Department of Health and the Department of Emergency Medical Services, the sum of up to Two Hundred Thousand Dollars (\$200,000) is hereby appropriated and authorized for expenditure for the Emergency Medical Services program from the Four for Life - Emergency Medical Services Grant.

(s) That, if and when made available from Virginia Department of Health and the Department of Emergency Medical Services, the sum of up to Thirty-Five Thousand Dollars (\$35,000) is hereby appropriated and authorized for expenditure for the Rescue Squad Assistance Fund.

(1) That a local cash match of up to Thirty-Five Thousand (\$35,000) Dollars in appropriated funds is hereby authorized to be expended for the Rescue Squad Assistance purchases.

(t) That, if and when made available from Virginia Department of Emergency Management, the sum of up to Thirty-Five Thousand Dollars (\$35,000) is hereby appropriated and authorized for expenditure for the Homeland Security Grant.

(u) That, if and when made available from revenue from fines and fees for HAZMAT related incidents, the sum of One Hundred Thousand Dollars (\$100,000) is hereby appropriated and authorized for expenditure.

(v) That, if and when made available from the Commonwealth of Virginia Children's Services Act Program, the sum of up to Eight Million Six Hundred Forty Thousand Dollars (\$8,640,000) is hereby appropriated and authorized for expenditure for the Virginia Children's Services Act program from the Virginia Children's Services Act grant.

(1) That a local cash match of up to Three Million Three Hundred Sixty Thousand Dollars (\$3,360,000) in appropriated funds is hereby authorized to be expended for the Virginia Children's Services Act program from the Human Services General Fund Account.

(w) That, if and when made available from the Virginia Department of Juvenile Justice, the sum of up to Six Hundred Forty Thousand Dollars (\$640,000) is hereby appropriated and authorized for expenditure for the Virginia Juvenile Community Crime Control Act Program from the Virginia Juvenile Community Crime Control Act grant.

(1) That a local cash match of up to Six Hundred Forty Thousand Dollars (\$640,000) in appropriated funds is hereby authorized to be expended for the Virginia Juvenile Community Crime Control Act Program from the Human Services General Fund Account.

(x) That, if and when made available from Schools and Libraries Division of the Universal Service Fund E-Rate Reimbursement Program, the sum of up to One Hundred Five Thousand Dollars (\$105,000) is hereby appropriated and authorized for expenditure for the E-Rate Reimbursement Program from the E-Rate Reimbursement Program grant.

(y) That, if and when made available from Hampton Roads Community Foundation, the sum of up to Twenty-Five Thousand Five Hundred Dollars (\$25,500) is hereby appropriated and authorized for expenditure for the Hampton Roads Community Foundation Grant.

(z) That, if and when made available from Norfolk Public Library Foundation, the sum of up to Fifteen Thousand Dollars (\$15,000) is hereby appropriated and authorized for expenditure for the Sargeant Memorial Collection and Maker Studio Programs.

(aa) That, if and when made available from the Library Gift Account, the sum of up to Twenty-Five Thousand Dollars (\$25,000) is hereby appropriated and authorized for expenditure for various branch operations.

(bb) That, if and when made available from Friends of Norfolk Public Library, the sum of up to Fifteen Thousand Dollars (\$15,000) is hereby appropriated and authorized for expenditure for various programs.

(cc) That, if and when made available from Friends of Norfolk Public Library, the sum of up to Thirty Thousand Dollars (\$30,000) is hereby appropriated and authorized for expenditure for the Summer Reading Program.

(dd) That, if and when made available from Virginia Commission for the Arts, the sum of up to Four Thousand Five Hundred Dollars (\$4,500) is hereby appropriated and authorized for expenditure for the Creative Communities Partnership.

(1) That, a local cash match of up to Four Thousand Five Hundred Dollars (\$4,500) in appropriated funds is hereby authorized to be expended for the Creative Communities Partnership from the Norfolk Arts General Fund Account.

(ee) That, if and when made available from various donations and gifts, a sum of up to Fifty Thousand Dollars (\$50,000) is hereby appropriated and authorized for expenditure for various art projects.

(ff) That, if and when made available from the Supreme Court of Virginia, the sum of up to Fifty Thousand Dollars (\$50,000) is hereby appropriated and authorized for expenditure for the Vivitrol Program.

(gg) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to Three Hundred Ten Thousand Dollars (\$310,000) is hereby appropriated and authorized for expenditure for the Crisis Stabilization Program.

(hh) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, through the Hampton Newport News Community Services Board (HNNCSB), the sum of up to One Hundred Thousand Dollars (\$100,000) is hereby appropriated and authorized for expenditure for the Norfolk Community Services Board to provide Emergency Services from the Emergency Services Grant Program.

(ii) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to Two Hundred Thousand Dollars (\$200,000) is hereby appropriated and authorized for expenditure for the Forensic Program of Assertive Community Treatment from the Forensic Program of Assertive Community Treatment grant.

(jj) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, allocated by Chesapeake Integrated Behavioral Health Care, the sum of up to Two Hundred Thirty Thousand Dollars (\$230,000) is hereby appropriated and authorized for expenditure for the Norfolk Community Services Board to provide forensic discharge planner services to Hampton Roads Regional Jail.

(kk) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to Six Hundred Twenty Thousand Dollars (\$620,000) is hereby appropriated and authorized for expenditure for the Outpatient Services Program from the Mental Health System Transformation Excellence and Performance in Virginia grant.

(ll) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to Two Hundred Eighty-Three Thousand Dollars (\$283,000) is hereby appropriated and authorized for expenditure for the Primary Care Program from the Mental Health System Transformation Excellence and Performance in Virginia grant.

(mm) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to Two Hundred Seventy Thousand Dollars (\$270,000) is hereby appropriated and authorized for expenditure for the Same Day Access Program from the Mental Health System Transformation Excellence and Performance in Virginia grant.

(nn) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to One Hundred Forty-Five Thousand Dollars (\$145,000) is hereby appropriated and authorized for expenditure for the Peer Recovery Center Program from the Mental Health System Transformation Excellence and Performance in Virginia grant.

(oo) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to Eighty-Five Thousand Dollars (\$85,000) is hereby appropriated and authorized for expenditure for the Veteran's Services Program from the Mental Health System Transformation Excellence and Performance in Virginia grant.

(pp) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to One Hundred Thirty-One Thousand Dollars (\$131,000) is hereby appropriated and authorized for expenditure for the Peer Recovery Center from the Peer Recovery Center grant.

(qq) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to Two Million Six Hundred Ten Thousand Dollars (\$2,610,000) is hereby appropriated and authorized for expenditure for the Permanent Supportive Housing program from the Permanent Supportive Housing grant.

(rr) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to Five Hundred Seventy Thousand Dollars (\$570,000) is hereby appropriated and authorized for expenditure for the Pharmacy and Medication Support Program from the Pharmacy and Medication Support grant.

(ss) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, through the Health Planning Region Planning V, the sum of up to Twenty-Five Thousand Dollars (\$25,000) is hereby appropriated and authorized for expenditure for the Norfolk Community Services Board to provide psychiatry services for children and adolescents.

(tt) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to Two Hundred Thousand Dollars (\$200,000) is hereby appropriated and authorized for expenditure for the State Opioid Response Program for Opioid Prevention.

(uu) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to Four Hundred Forty-Three Thousand Dollars (\$443,000) is hereby appropriated and authorized for expenditure for the State Opioid Response Program for Opioid Recovery.

(vv) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to One Hundred Thousand Dollars (\$100,000) is hereby appropriated and authorized for expenditure for the State Opioid Response Program for Opioid Treatment.

(ww) That, if and when made available from Virginia Department of Behavioral Health and Developmental Services, the sum of up to One Hundred Thirty Thousand Dollars (\$130,000) is hereby appropriated and authorized for expenditure for the Medication Assisted Treatment for Opioid Use Disorder Program from the Virginia State General Fund.

(xx) That, if and when made available from the Virginia Department of Behavioral Health and Developmental Services, the sum of up to One Hundred Forty Thousand Dollars (\$140,000) is hereby appropriated and authorized for expenditure for the Mental Health System Transformation Excellence and Performance in Virginia for IT Infrastructure.

(yy) That, if and when made available from the Virginia Department of Behavioral Health and Developmental Services, the sum of up to Two Hundred Thousand Dollars (\$200,000) is hereby appropriated and authorized for expenditure for the Mental Health System Transformation Excellence and Performance in Virginia for Care Coordination Services.

(zz) That, if and when made available from the Virginia Department of Behavioral Health and Developmental Services, the sum of up to Sixty Thousand Dollars (\$60,000) is hereby appropriated and authorized for expenditure for the Mental Health System Transformation Excellence and Performance in Virginia for Psychiatric Rehabilitation Services.

(aaa) That, if and when made available from the Virginia Department of Behavioral Health and Developmental Services, the sum of up to Eighty Thousand Dollars (\$80,000) is hereby appropriated and authorized for expenditure for the Mental Health System Transformation Excellence and Performance in Virginia for Case Management Services.

(bbb) That, if and when made available from the Virginia Department of Behavioral Health and Developmental Services, the sum of up to Forty Thousand Dollars (\$40,000) is hereby appropriated and authorized for expenditure for the Problem Gambling Prevention Services.

(ccc) That, if and when made available from the Virginia Department of Behavioral Health and Developmental Services, the sum of up to Twenty Thousand Dollars (\$20,000) is hereby appropriated and authorized for expenditure for the Mental Health First aid and Suicide Prevention program.

(ddd) That, if and when made available from U.S. Department of Justice, the sum of up to Two Hundred Thousand Dollars (\$200,000) is hereby appropriated and authorized for expenditure for the Edward Byrne Memorial Justice Assistance Grant Program from the Edward Byrne Memorial Justice Assistance grant.

(eee) That, if and when made available from Virginia Department of Motor Vehicles, the sum of up to One Hundred Five Thousand Dollars (\$105,000) is hereby appropriated and authorized for expenditure for the Alcohol Program from the DMV Selective Enforcement grant for alcohol impairment, occupant protection, and speed reduction.

(1) That a local cash match of up to Fifty-Two Thousand Five Hundred Dollars (\$52,500) in appropriated funds is hereby authorized to be expended for the Alcohol Enforcement Program from the Police General Fund Account.

(fff) That, if and when made available from Federal Emergency Management Agency, the sum of up to Three Hundred Twenty-Five Thousand Dollars (\$325,000) is hereby appropriated and authorized for expenditure for the Port Security Grant.

(1) That a local cash match of up to One Hundred Ten Thousand Dollars (\$110,000) in appropriated funds is hereby authorized to be expended for the Port Security Grant from the Police General Fund Account.

(ggg) That, if and when received from the Virginia Department of Emergency Management, the sum of up to One Hundred Fifty Thousand Dollars (\$150,000) is hereby appropriated and authorized for expenditure for the Homeland Security Grant Program for Urban Area Security Initiative.

(hhh) That, if and when received from the Virginia Department of Emergency Management, the sum of up to One Hundred Thousand Dollars (\$100,000) is hereby appropriated and authorized for expenditure for the Homeland Security Grant.

(iii) That, if and when received from the Virginia State Police, the sum of up to Fifteen Thousand Dollars (\$15,000) is hereby appropriated and authorized for expenditure for Annual Training and Equipment Grant.

(jjj) That, if and when received from the Virginia Department of Criminal Justice Services, the sum of up to One Million Five Hundred Thousand Dollars (\$1,500,000) is hereby appropriated and authorized for expenditure for Firearm Prevention and Intervention.

(kkk) That, if and when received from the Virginia Department of the Attorney General, the sum of up to Three Hundred Thousand Dollars (\$300,000) is hereby appropriated and authorized for expenditure for Project Safe Neighborhoods Grant.

(lll) That, if and when received from the Virginia Department of the Attorney General, the sum of up to Twenty-Five Thousand Dollars (\$25,000) is hereby appropriated and authorized for expenditure for Hampton Roads Human Trafficking Task Force Grant.

(mmm) That, if and when received from the Virginia Department of Criminal Justice Services, the sum of up to Five Hundred Thousand Dollars (\$500,000) is hereby appropriated and authorized for expenditure for Operation Cease Fire Grant.

(nnn) That, if and when made available from funds generated from various court related fees, the sum of up to One Hundred Fifty Thousand Dollars (\$150,000) is hereby appropriated and authorized for expenditure for support of Local Police Training and Academy and Training Division of Norfolk Police Department.

(ooo) That, if and when made available from funds generated from donations, the sum of up to One Hundred Thousand Dollars (\$100,000) is hereby appropriated and authorized for expenditure for various programs.

(ppp) That, if and when received from the U.S. Department of Justice and U.S. Department of the Treasury, the sum of up to Seventy-Five Thousand Dollars (\$75,000) is hereby appropriated and authorized for expenditure for Federal Forfeiture Collections.

(qqq) That, if and when received from the Virginia Department of Criminal Justice Services, the sum of up to Two Hundred Fifty-Five Thousand Dollars (\$255,000) is hereby appropriated and authorized for expenditure for State Forfeiture Collections.

(rrr) That, if and when received from the U.S. Department of Environmental Protection Agency, the sum of up to Four Hundred Thousand Dollars (\$400,000) is hereby appropriated and authorized for expenditure for Chesapeake Bay Program Partnership.

(sss) That, if and when made available from Virginia Department of Environmental Quality, the sum of up to Sixty Thousand Dollars (\$60,000) is hereby appropriated and authorized for expenditure for the Keep Norfolk Beautiful Program from the Litter Prevention and Recycling Program grant.

(ttt) That, if and when made available from the Sheriff, funds generated from the 811 Market Place Program (Inmate Commissary Account), the sum of up to Three Hundred Fifty Thousand Dollars (\$350,000) is hereby appropriated and authorized for expenditure for 811 Market Place Program.

(uuu) That, if and when made available from funds generated from the Sheriff's Inmate Commissary Account, the sum of up to Two Hundred Thirty-Five Thousand Dollars (\$235,000) is hereby appropriated and authorized for expenditure for the Inmate Classification Specialist Program.

(vvv) That, if and when made available from funds generated from Sheriff's Community Corrections Program (Work Release, Inmate Work Force, and Electronic Monitoring), the sum of up to Five Hundred Eighty-Six Thousand Dollars (\$586,000) is hereby appropriated and authorized for expenditure for the Sheriff's Community Correction Program.

(www) That, if and when made available from Virginia Department of Criminal Justice Services, the sum of up to Thirty-Nine Thousand Dollars (\$39,000) is hereby appropriated and authorized for expenditure for the Addiction Recovery Program from the Addiction Recovery Grant Program.

(xxx) That, if and when made available from Virginia Department of Criminal Justice Services, the sum of up to One Hundred Fifty-One Thousand Dollars (\$151,000) is hereby appropriate and authorized for expenditure for the Residential Substance Abuse Treatment Program.

(1) That a local cash match of up to Fifty-One Thousand Dollars (\$51,000) in appropriated funds is hereby authorized to be expended for the Residential Substance Abuse Treatment Program.

(yyy) That, if and when made available from U.S. Department of Justice, the sum of up to Forty Thousand Dollars (\$40,000) is hereby appropriated and authorized for expenditure for the State Criminal Alien Assistance Program from the State Criminal Alien Assistance Program grant.

(zzz) That, if and when made available from U.S. Marshal Service, the sum of up to Two Hundred Fifty Thousand Dollars (\$250,000) is hereby appropriated and authorized for expenditure for the U.S. Marshal Services Program.

(aaaa) That, if and when made available from Income from Project Lifesaver Program, the sum of up to Twenty Thousand Dollars (\$20,000) is hereby appropriated and authorized for expenditure for the Project Lifesaver Program.

(bbbb) That, if and when made available from State and Federal Asset Forfeiture Collections, the sum of up to Three Hundred Fifty Thousand Dollars (\$350,000) is hereby appropriate and authorized for expenditure for Asset Forfeiture Collections.

(cccc) That, if and when made available from the Virginia Department of Transportation - SMART Scale reimbursable VDOT Funding Program, the sum of up to Eighteen Million Five Hundred One Thousand Nine Dollars (\$18,501,009) is hereby appropriated and authorized for expenditure for the project.

(dddd) That, if and when made available from the Virginia Department of Transportation - Highway Safety Improvements Program, the sum of up to Seven Million Seven Hundred Four Thousand Six Hundred Five Dollars (\$7,704,605) is hereby appropriated and authorized for expenditure for the project.

(eeee) That, if and when made available from the Virginia Department of Transportation State of Good Repair - Primary Extension Program, the sum of up to One Million Four Hundred Ninety-Nine Thousand Nine Hundred Ninety Five Dollars (\$1,499,995) is hereby appropriated and authorized for expenditure for the project.

(ffff) That, if and when made available from the Virginia Department of Transportation Bridge Formula of Infrastructure Investment and Jobs Act, the sum of up to One Million Dollars (\$1,000,000) is hereby appropriated and authorized for expenditure for the project.

(gggg) That, if and when made available from the U.S. Department of Transportation Safe Streets and Roads for All, the sum of up to Two Hundred Forty Thousand Dollars (\$240,000) is hereby appropriated and authorized for expenditure for multimodal action plan.

(1) That a local cash match of up to Sixty Thousand Dollars (\$60,000) in appropriated funds is hereby authorized to be expended for the VDOT Project Management.

(hhhh) That, if and when made available from the U.S. Department of Transportation Reconnecting Communities Project - Planning Grant, the sum of up to One Million Six Hundred Thousand Dollars (\$1,600,000) is hereby appropriated and authorized for expenditure for the project.

(1) That a local cash match of up to Four Hundred Thousand Dollars (\$400,000) in appropriated funds is hereby authorized to be expended for the VDOT Project Management.

(iiii) That, if and when made available from the Department of Housing and Urban Development, the sum of up to Three Million Dollars (\$3,000,000) is hereby appropriated and authorized for expenditure for Neighborhood Safety LED Streetlight Upgrades.

(jjjj) That, if and when made available from the Department of Energy, the sum of up to Two Hundred Seventy-Two Thousand Dollars (\$272,000) is hereby appropriated and authorized for expenditure for Energy Efficiency and Conservation Block Grant.

(kkkk) That, if and when made available from the U.S. Environmental Protection Agency, the sum of up to Two Million Five Hundred Thousand Dollars (\$2,500,000) is hereby appropriated and authorized for Community Project Funds - River Oaks Water and Sewer Replacement.

(llll) That, if and when made available from the U.S. Environmental Protection Agency, the sum of up to Two Million Three Hundred Thousand Dollars (\$2,300,000) is hereby appropriated and authorized for Community Project Funds - West Ocean View Water and Sewer Replacement.

(mmmm) That, if and when made available from the U.S. Environmental Protection Agency, the sum of up to One Million Six Hundred Thousand Dollars (\$1,600,000) is hereby appropriated and authorized for Community Project Funds - Ballentine Place Water and Sewer Replacement.

(nnnn) That, if and when made available from the Virginia Department of Environmental Quality, the sum of up to Three Million Four Hundred Thousand Dollars (\$3,400,000) is hereby appropriated and authorized for Wastewater Funds Program.

***Section 15:-** That Sections 12-266, 12-267, 12-268, 12-269, 12-270, 12-275, 12-270, 12-290.1, 12-290.2, 12-290.3 of the Norfolk City Code, 1979, as amended, are hereby amended and reordained in their entirety so as to read as follows:

***Sec.12-266** Charges for grave openings and closings - Mausoleum burials.

The charges for opening and closing graves for mausoleum burials in the city cemeteries shall be as follows:

- (1) *Regular Crypt - Public mausoleums* - Monday through Friday, 8:30 a.m. to 4:00 p.m.: the fee shall be one thousand dollars (\$1,000.00).
- (2) *Ash Crypt - Public mausoleums* - Monday through Friday, 8:30 a.m. to 4:00 p.m.: the fee shall be eight hundred dollars (\$800.00).
- (3) *Servicing burial - Private mausoleums* - Monday through Friday, 8:30 a.m. to 4:00 p.m.: the fee shall be one thousand dollars (\$1,000.00).
- (4) *Regular crypt - Public mausoleums* - Saturday: the fee shall be one thousand two hundred dollars (\$1,200.00).
- (5) *Ash crypt - Public mausoleums* - Saturday: the fee shall be nine hundred dollars (\$900.00).
- (6) *Servicing burial - Private mausoleum* - Saturday: the fee shall be one thousand two hundred dollars (\$1,200.00).
- (7) *Regular crypt - Public mausoleums* - Sunday and holidays: the fee shall be one thousand three hundred dollars (\$1,300.00).

- (8) *Ash crypt - Public mausoleums - Sunday and holidays:* the fee shall be one thousand dollars (\$1,000.00).
- (9) *Servicing burials - Private mausoleum - Sunday and holidays:* the fee shall be one thousand three hundred dollars (\$1,300.00).

***Sec.12-267**

Same - Ground burials.

The charges for opening and closing graves for ground burials in the city cemeteries shall be as follows:

- (1) *Adult grave - Monday through Friday, 8:30 a.m. to 4:00 p.m.:* The fee shall be one thousand three hundred dollars (\$1,300.00)
- (2) *Child under twelve (12) years - Monday through Friday, 8:30 a.m. to 4:00 p.m.:* The fee shall be five hundred dollars (\$500.00). For a child twelve (12) years or over, adult prices shall be charged.
- (3) *Ash opening - Monday through Friday, 8:30 a.m. to 4:00 p.m.:* The fee shall be eight hundred dollars (\$800.00).
- (4) *Adult grave - Saturday:* The fee shall be one thousand five hundred dollars (\$1,500.00).
- (5) *Child under twelve (12) years - Saturday:* The fee shall be six hundred dollars (\$600.00).
- (6) *Ash opening - Saturday:* The fee shall be nine hundred dollars (\$900.00).
- (7) *Adult grave - Sunday and holidays:* The fee shall be one thousand seven hundred dollars (\$1,700.00).
- (8) *Child under twelve (12) years - Sunday and holidays:* The fee shall be seven hundred dollars (\$700.00).
- (9) *Ash opening - Sunday and holidays:* The fee shall be one thousand dollars (\$1,000.00).

***Sec.12-268** **Charges for disinterments - Mausoleums.**

The charges for mausoleum disinterments at city cemeteries shall be as follows:

- (1) Regular crypt - Public mausoleum \$2,000.00
- (2) Ash crypt - Public mausoleum...\$1,000.00

***Sec.12-269** **Same - Ground.**

The charges for ground disinterments at city cemeteries shall be as follows:

- (1) Adult.....\$2,000.00
- (2) Child under twelve (12) years..\$1,000.00
For a child twelve (12) years or over adult prices shall be charged.
- (3) Ashes.....\$900.00.

***Sec.12-270** **Fee for transfer of lots or grave sites.**

The cemetery superintendent shall charge and collect a fee of two hundred dollars (\$200.00) for the transfer of ownership of any lot or grave site previously sold.

There shall be an additional fee of two hundred dollars (\$200.00) per grave for the transfer of ownership of any grave sold prior to March 11, 1969, in Forest Lawn, Calvary, Elmwood, Cedar Grove, West Point, Hebrew, and Magnolia cemeteries for which there has been no previous endowed care fund contributions.

***Sec.12-275** **Charges for installation of foundations.**

The charge for the installation of a foundation for a gravestone, marker, monument or other such structure shall be one and 25/100 dollars (\$1.25) per square inch of the base surface. There shall be a minimum charge of one hundred twenty-five dollars (\$125.00) for the installation of upright markers supplied by the Veterans Administration. Payment shall be made upon application for a foundation.

***Sec.12-276** Charge for each additional interment.

The charge for each additional right of interment shall be seven hundred dollars (\$700.00).

***Sec.12-290.1** Prices for adult graves in city cemeteries.

Except as otherwise provided, the price of adult graves in Calvary Cemetery, Hebrew Cemetery, and Riverside Memorial ark shall be one thousand five hundred dollars (\$1,500.00) per single-grave lot, three thousand dollars (\$3,000.00) per two-grave lot, for graves requiring flush, ground-level markers, and one thousand seven hundred dollars (\$1,700.00) per single-grave lot, three thousand four hundred dollars (\$3,400.00) per two-grave lot, for graves permitting upright markers. Except as otherwise provided, the price for adult graves in Forest Lawn Cemetery shall be one thousand seven hundred dollars (\$1,700.00) per single-grave lot, three thousand four hundred dollars (\$3,400.00) per two-grave lot, for graves requiring flush, ground-level markers, and two thousand four hundred dollars (\$2,400.00) per single-grave lot, four thousand eight hundred dollars (\$4,800.00) per two-grave lot, for graves permitting upright markers.

***Sec.12-290.2** Price for child's grave in city cemeteries.

Except as otherwise provided, the price of a grave for a child in Cedar Grove Cemetery, Elmwood Cemetery, Forest Lawn Cemetery, Calvary Cemetery, Magnolia Cemetery, West Point Cemetery and Riverside Memorial Park shall be five hundred dollars (\$500.00).

***Sec.12-290.3** Special prices - Forest Lawn Cemetery.

Notwithstanding the provisions of Section 12-290.1, the following prices shall be charged for lots and graves in Forest Lawn Cemetery:

- (1) Lots 1 through 40 Pine Gardens III; lots 344 through 369 Fir III; lot 458, lots 467 through 483, lots 505 and 506, and lots 529 through 571 Center Park North: one thousand five hundred dollars (\$1,500.00) per grave.
- (2) Lots 1 through 58 David's Garden III; lots 393 through 410 in Block B and lots 397 through 414 in Block C of Tree of Live IV; lots 427 through 437 Pine Gardens III; lots 713 through 720 Fir Lawn II; two thousand four hundred dollars (\$2,400.00) per single-grave lot, four thousand eight hundred dollars (\$4,800.00) per double-grave lot and nine thousand six hundred dollars (\$9,600.00) per quadruple-grave lot.
- (3) Lots 331 through 382 Fir II; lots 41 through 80 Pine Gardens III; lots 450 through 457, lots 459 through 466, lots 484 through 504 and lots 507 through 528 Center Park North: two thousand dollars (\$2,000.00) per single-grave lot and four thousand dollars (\$4,000.00) per double-grave lot.
- (4) Mausoleum sites: Twenty dollars (\$20.00) per square foot.
- (5) Ash niches: Holly Circle - Two thousand four hundred dollars (\$2,400.00) per niche.
- (6) Ash niches: Pine Circle - two thousand six hundred dollars (\$2,600.00) per lot.
- (7) Lots 1 through 13, 15, 16, 18 through 24, 26, 27, 30 through 32, 43, 44, 47 through 50, 52 through 56 and 259 through 286 in Block A; Lots 355 through 386 in Block B; Lots 1 through 3, 6 through 9, 11 through 18, 21 through 24, 26 through 30, 33 through 38, 41 through 45, 48 through 52, 54 through 59, 426, 442, 467 through 507 in Block C; and Lots 1 through 25, 48 through 65, 66 through 85, 189, 190, 221, 222, 337, 338, 369, 370 and 474 through 484 in Block D Northwest Lawn, which will be two thousand six hundred dollars (\$2,600.00) per grave.
- (8) Casket spaces: Community mausoleum - Level G: three thousand four hundred dollars (\$3,400.00) for a single casket

space, five thousand dollars (\$5,000.00) for a tandem casket space; Level F: three thousand eight hundred dollars (\$3,800.00) for a single casket space, six thousand dollars (\$6,000.00) for a tandem casket space; Level E: four thousand two hundred dollars (\$4,200.00) for a single casket space, six thousand eight hundred dollars (\$6,800.00) for a tandem casket space; Level D: four thousand seven hundred dollars (\$4,700.00) for a single casket space, seven thousand four hundred dollars (\$7,400.00) for a tandem casket space; Level C: four thousand eight hundred dollars (\$4,800.00) for a single casket space, eight thousand one hundred dollars (\$8,100.00) for a tandem casket space; Level B: five thousand dollars (\$5,000.00) for a single casket space, eight thousand six hundred dollars (\$8,600.00) for a tandem casket space; Level A: four thousand seven hundred dollars (\$4,700.00) for a single casket space, eight thousand one hundred dollars (\$8,100.00) for a tandem casket space.

- (9) Ash niches: Community mausoleum - Levels J through L: one thousand two hundred dollars (\$1,200.00) per niche; Levels G through I: one thousand six hundred dollars (\$1,600.00) per niche; Levels C through F: two thousand hundred dollars (\$2,000.00) per niche; Levels A through B: one thousand six hundred dollars (\$1,600.00) per niche.

***Section 16:- That Section 24-205 of the Norfolk City Code, 1979, as amended, is hereby amended and reordained in its entirety so as to read as follows:**

***Sec.24-205 Definitions.**

For the purpose of this division, permanently and totally disabled shall be as defined in § 58.1-3217 and determined as set forth in § 58.1-3213(D) of the Code of Virginia, 1950, as amended.

"Average residential tax" is the average residential assessment in the July 1 real estate land book of the fiscal year immediately preceding the fiscal year for which relief is sought multiplied by the applicable real estate tax rate for the fiscal year for which relief is sought.

"Nonqualified transfer" means a transfer in ownership of the real estate by gift or otherwise not for bona fide consideration, other than (i) a transfer by the qualified owner to a spouse, including without limitation a transfer creating a tenancy for life or joint lives; (ii) a transfer by the qualified owner or the qualified owner and his spouse to a revocable inter vivos trust over which the qualified owner, or the qualified owner and his spouse, hold the power of revocation; or (iii) a transfer to an irrevocable trust under which a qualified owner alone or in conjunction with his spouse possesses a life estate or an estate for joint lives, or enjoys a continuing right of use or support.

"Qualified owner" means the owner of the real property who qualifies for a tax deferral by county, city, or town ordinance.

"Real estate tax relief amount" is the annual amount established by city council budgeted for the purpose of providing real estate tax deferrals under section 24-209.1 of the Norfolk City Code, after providing the real estate tax exemptions for disabled veterans pursuant to Code of Virginia § 58.1-3219.5 and the amount of exemptions and deferrals provided under section 24-209 of the Norfolk City Code.

***Section 17:- That Subsections (a) and (e) of Section 41-21 of the Norfolk City Code, 1979, as amended, is hereby amended and reordained in their entirety so as to read as follows:**

***Sec. 41-21 Fees for the collection and disposal of refuse.**

The following maximum fees are hereby established for the collection and disposal of refuse (garbage and bulky waste) by city forces:

- (a) Three hundred forty-two four dollars and twelve cents (\$342.12) per year for each single-family dwelling unit or dwelling units in multiple residences not exceeding four (4) families or dwelling units.
- (e) Five hundred sixty-nine dollars and twenty-eight cents (\$569.28) per year for each container serving multiple residences exceeding four (4) families.

***Section 18:- That Subsection (a) of Section 41.1-23 of the Norfolk City Code, 1979, as amended, is hereby amended and reordained in its entirety so as to read as follows:**

***Sec. 41.1-23(a) Stormwater management fees.**

(a) The following stormwater management fees are hereby authorized:

Type of Account	Daily Rate	Effective Date
Residential Accounts	\$0.452	July 1, 2023
Nonresidential Accounts	\$0.452 per 2,000 square foot of impervious area	July 1, 2023

For residential accounts that are active as of July 1, 2023, the rate will increase on July 1, 2023, so that the rate will be \$0.452 per day. For nonresidential accounts, the rate will increase on July 1, 2023, to \$0.452 per day per two thousand (2,000) square feet of impervious surface. Rates will be calculated by rounding to the nearest two thousand (2,000) square feet of impervious area with a minimum bill based on two thousand (2,000) square feet. Annual increases of four percent (4%) over the previous year's stormwater rate for residential and nonresidential accounts will begin July 1 of each year, until amended.

In addition to the above daily rates, the residential stormwater charge shall be one dollar (\$1.00) per month per account and the nonresidential stormwater charge shall be one dollar (\$1.00) per month per two thousand (2,000) square feet of impervious surface.

***Section 19:-** That there is hereby set-aside from the General Fund revenues a sum sufficient, estimated at Five Million Four Hundred Ninety Thousand Dollars (\$5,490,000) to be the amount by which revenue is reduced for the purpose of providing real estate tax exemptions and deferrals for the elderly and disabled under Chapter 24, Article IV, Division 2 of the Norfolk City Code, 1979, real estate tax exemptions for disabled veterans pursuant to Code of Virginia, Section 58.1-3219.5, real estate tax exemptions of the principal residences of surviving spouses of members of the armed forces of the United States killed in action, pursuant to Code of Virginia, Section 58.1-3219.9, and real estate tax exemptions of the principal residence of surviving spouses of certain persons killed in the line of duty under Chapter 24, Article IV, Division 2.2 of the Norfolk City Code, 1979, as amended.

The Department of Human Services, as designated by the City Manager, shall administer this program.

***Section 20:-** There are hereby appropriated the revenues from the taxes imposed on the service district created by Council pursuant to Section 15.2-2400 of the Code of Virginia, 1950, as amended, known as the Downtown Service District (sometimes referred to as the Downtown Improvement District) in the estimated amount set out in a line item in the attachments incorporated into this ordinance, to be used by the Downtown Norfolk Council for the purposes set out in Section 24-212.1 of the Code of the City of Norfolk (1979), as amended, and in Section 15.2-2403 of the Code of Virginia, 1950, as amended.

***Section 21:-** That the provisions of this ordinance are hereby declared to be severable. If any part, section provision, sentence, clause or phrase, or the application thereof to any person or circumstance, is adjudged to be unconstitutional or invalid for any reason, the remainder of the ordinance shall remain in full force and effect and its validity shall not be impaired, it being the legislative intent now hereby declared that the ordinance would have been adopted even if such invalid matter had not been included or if such invalid application had not been made.

Section 22:- That this ordinance shall be in effect from and after **July 1, 2023**.

CERTIFICATION OF FUNDING
Account No.: HUD account
Amount: \$7,054,048

CERTIFICATION OF FUNDING
Account No.: Annual Recurring Grants
Amount: \$86,498,241

CERTIFICATION OF FUNDING
Account No.: Various
Amount: \$1,439,857,612

ADOPTED BY COUNCIL JUNE 13, 2023
EFFECTIVE JULY 1, 2023

August 31, 2023

Allison Bogdanovic
Executive Director
Virginia Supportive Housing
8002 Discovery Drive, Suite 201
Richmond, Virginia 23229

Subject: VSH Gosnold II Expansion (Regional Apartments)

Dear Ms. Bogdanovic:

The City of Chesapeake is pleased to offer support to Virginia Supportive Housing for the development of the Regional Supportive Room Occupancy (SRO) project identified as Gosnold II Expansion. This project will provide permanent supportive housing to the homeless in Chesapeake and other cities in the region.

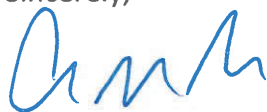
This letter is to confirm that the City of Chesapeake has committed \$900,000 in HOME-ARP funds to be used for the construction of the Gosnold II Regional SRO Apartments.

Once all necessary financing has been secured, a budget and schedule established, and underwriting completed, with construction scheduled to begin within twelve months, an agreement will be sent for your signature.

Again, we are pleased to support the Gosnold II Expansion, which will provide much needed permanent supportive housing to homeless single individuals.

Thank you for your dedicated efforts to assist Hampton Roads localities in their efforts to end homelessness. Please do not hesitate to contact me if I can be of further assistance.

Sincerely,



Christopher M. Price
City Manager

**CITY OF CHESAPEAKE
CITY COUNCIL MEETING
Marked Agenda
March 14, 2023
6:30 P.M.
City Hall Council Chamber
306 Cedar Road**

1. INVOCATION – **Council Member Ella P. Ward**
2. PLEDGE OF ALLEGIANCE TO THE FLAG – **Girl Scouts of the Colonial Coast**
3. ROLL CALL BY CITY CLERK – **All Present**
4. APPROVAL OF PROPOSED AGENDA – **APPROVED (de Triquet/Whitaker) (9-0)**
5. APPROVAL OF MINUTES

6. PRESENTATIONS

- A. Proclamation – Girl Scouts of the Colonial Coast
- B. Special Recognition – Department of Public Works

7. PUBLIC HEARING

CITIZENS' COMMENTS ON THE PUBLIC HEARING ITEM

COUNCIL'S CONSIDERATION OF THE PUBLIC HEARING ITEM

Non-Planning Public Hearing Item

- A. AN ORDINANCE OF THE COUNCIL OF THE CITY OF CHESAPEAKE, VIRGINIA, AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION SCHOOL BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$11,500,000 AND RATIFYING THE FILING OF AN APPLICATION WITH THE VIRGINIA PUBLIC SCHOOL AUTHORITY-FINANCE

APPROVED AS AN EMERGENCY (Ward/Bunn) (8-0) (Newins abstained)

8. DOCKET

- A. CITIZENS' COMMENTS ON AGENDA ITEMS ONLY
- B. CONSENT AGENDA

APPROVED (deTriquet/Ward) (9-0)

City Clerk Item

(1) RESIGNATIONS

- A. Christopher Patterson – Chesapeake Bicycle Trails Advisory Committee
- B. Joseph McGourn – Chesapeake Commission on Health and Well Being
- C. Janae Voorhees – Chesapeake Interagency Consortium
- D. Renee McKinnon – Natural Event Mitigation Advisory Committee

City Manager Items

- (1) AN ORDINANCE AMENDING THE CHESAPEAKE CITY CODE, CHAPTER 14, SECTION 14-34 TO MODIFY FEES FOR APPEALS TO THE LOCAL BOARD OF BUILDING CODE APPEALS-DEVELOPMENT AND PERMITS
 - (2) AN ORDINANCE AMENDING CHAPTER 19 OF THE CHESAPEAKE CITY CODE, ENTITLED "BUSINESS REGULATIONS" TO ENACT ARTICLE VIII, ENTITLED "EMERGENCY MEDICAL CARE AGENCIES AND VEHICLES" TO PROVIDE NON-EMERGENCY MEDICAL TRANSPORTATION TO CONTRACTED CUSTOMERS AND MEDICAL FACILITIES WITHIN THE CITY OF CHESAPEAKE-FIRE
 - (3) REQUEST FOR THE AUTHORITY TO APPLY FOR A 2023 URBAN AREA SECURITY INITIATIVE REGIONAL EMERGENCY DEPLOYABLE COMMUNICATION EQUIPMENT GRANT FROM THE VIRGINIA DEPARTMENT OF EMERGENCY MANAGEMENT AND THE FEDERAL EMERGENCY MANAGEMENT AGENCY-FIRE
 - (4) REQUEST FOR THE AUTHORITY TO APPLY FOR A STAFFING FOR ADEQUATE FIRE AND EMERGENCY RESPONSE GRANT FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY-FIRE
 - (5) REQUEST FOR THE AUTHORITY TO APPLY FOR A RESCUE SQUAD ASSISTANCE FUND GRANT FROM VIRGINIA DEPARTMENT OF HEALTH OFFICE OF EMERGENCY MEDICAL SERVICES-FIRE
 - (6) REQUEST FOR THE APPROPRIATION OF \$54,291 OF PROGRAM INCOME RECEIVED FROM THE HOME INVESTMENT PARTNERSHIP PROGRAM-PLANNING
- C. REGULAR AGENDA

City Manager Items

- (7) A. RESOLUTION PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION SCHOOL BONDS OF THE CITY OF CHESAPEAKE, VIRGINIA IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$11,500,000, TO BE SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY AND PROVIDING FOR THE FORM AND DETAILS THEREOF-FINANCE
APPROVED (Ward/Whitaker) (8-0) (Newins abstained)
- B. REQUEST FOR THE APPROPRIATION OF \$41,500 TO THE DEBT SERVICE FUND TO COVER COSTS RELATED TO THE ISSUANCE OF THE BONDS-FINANCE
APPROVED (deTriquet/Bunn) (8-0) (Newins abstained)
- (8) REQUEST TO AMEND THE PROGRAM YEAR 47 ANNUAL ACTION PLAN OF THE HOME INVESTMENT PARTNERSHIP PROGRAM AND APPROPRIATE \$2,004,685 IN AMERICAN RESCUE PLAN ACT FUNDS TO THE HOME INVESTMENT PARTNERSHIP PROGRAM-PLANNING
APPROVED (Bunn/Whitaker) (9-0)
- (9) REQUEST TO TRANSFER \$700,000 IN AVAILABLE APPROPRIATIONS TO THE FACILITY MODIFICATION, RENEWAL, AND REPLACEMENT – PHASE III CAPITAL IMPROVEMENT PROJECT-PUBLIC WORKS
APPROVED (Whitaker/Bunn) (9-0)

- (10) A. A RESOLUTION APPROVING AN ECONOMIC DEVELOPMENT INVESTMENT GRANT IN THE AMOUNT OF \$450,000 TO PERDUE AGRIBUSINESS, LLC, AND DISTRIBUTING APPROPRIATED FUNDS FOR SUCH GRANT TO THE ECONOMIC DEVELOPMENT AUTHORITY-ECONOMIC DEVELOPMENT

APPROVED (Carey/Newins) (9-0)

- B. REQUEST FOR THE APPROPRIATION OF \$100,000 FROM THE EDIP FUND BALANCE TO THE ECONOMIC DEVELOPMENT FY 2023 OPERATING BUDGET AND PAYMENT OF FUNDS TO THE ECONOMIC DEVELOPMENT AUTHORITY-ECONOMIC DEVELOPMENT

APPROVED (Newins/Ritter) (9-0)

- (11) AN ORDINANCE AUTHORIZING THE CITY TO PARTICIPATE IN A FIREARM BUYBACK PROGRAM AND DESTROY SURRENDERED FIREARMS-CITY MANAGER'S OFFICE

APPROVED (Ritter/Carey) (9-0)

- (12) REQUEST FOR THE APPROPRIATION OF \$67,000 FROM THE CENTRAL FLEET MANAGEMENT INTERNAL SERVICE FUND FUND BALANCE TO THE CENTRAL FLEET FY 2023 OPERATING BUDGET-FLEET

APPROVED AS AN EMERGENCY (Bunn/Ward) (9-0)

- 9. CITIZENS' COMMENTS ON THE SERVICES, POLICIES AND AFFAIRS OF THE CITY (NON-AGENDA SPEAKERS)

- 10. NOMINATIONS TO BOARDS AND COMMISSIONS

- A. Chesapeake Bay Preservation Area Board – 1 vacancy

Melissa Gates and Richard Underhill were nominated; interviews will be conducted on March 21, 2023

- B. Chesapeake Redevelopment and Housing Authority – 2 vacancies

Andre Council, Michael Daniels, Lena Fuller, Benjamin Green, Alexia Hargrove, John Nogosek, and Michael Salpeter were nominated; interviews will be conducted on March 21, 2023

- C. South Norfolk Revitalization Commission – 3 vacancies

Alexia Hargrove, Kenneth Luxhoj, Bradley Moore, and Michael Vecchione were nominated; interviews will be conducted on March 21, 2023

- 11. UNFINISHED BUSINESS

- 12. NEW BUSINESS

- 13. CLOSED MEETING – 7:39 p.m. – 8:07 p.m.

APPROVED motion to conduct a Closed Meeting on March 21, 2023 at 3:15 p.m. (deTriquet/Ward) (8-1) (Ritter voted no)

- 14. ADJOURNMENT – 8:10 p.m.

Memorandum

TO: Christopher M. Price, City Manager
VIA: Brian S. Solis, Deputy City Manager
FROM: Jimmy McNamara, Planning Director *JM.*
DATE: February 24, 2023

SUBJECT: Request for Approval HOME-ARP Proposed Activities

The American Rescue Plan Act of 2021 appropriated \$5 billion to provide housing, services, and shelter to individuals experiencing homelessness and other vulnerable populations. Jurisdictions that qualified for HOME Investment Partnerships Program allocations in Fiscal Year 2021 received this funding based on that allocation formula. The City of Chesapeake was awarded **\$2,004,685** in HOME Investment Partnership – American Rescue Plan (HOME-ARP) funds from the U.S. Department of Housing and Urban Development (HUD). The Planning Department requests City Council’s consideration of an amendment to the City’s Program Year (PY) 47 Annual Action Plan as required by HUD to receive these funds. We are requesting the appropriation of \$2,004,685 to the HOME-ARP grant for the following proposed activities to provide housing, services, and shelter to individuals experiencing homelessness and other vulnerable populations:

- \$900,000** to provide rental housing for individuals of the qualifying population.

Lead Agency: Virginia Supportive Housing

- \$800,000** to provide supportive services of eviction protection by financial assistance for individuals of the qualifying population.

Lead Agency: ForKids, Inc.

- \$115,000** to provide supportive services of housing counseling and financial assistance for individuals of the qualifying population.

Lead Agency: We Care Homeless Resource Center

- \$88,000** to provide supportive services of housing counseling and financial assistance for individuals of the qualifying population.

Lead Agency: Catholic Charities

5. **\$101,685** to provide administration and planning of the HOME-ARP program.

Lead Agency: Planning Department

Attached are the following documents supporting this request:

- The September 20, 2021, HUD HOME-ARP announcement letter and agreement to Planning Director Jimmy McNamara.
- The September 15, 2022, HUD HOME-ARP letter to Mayor Richard W. West
- The PY 47 Annual Action Plan Substantial Amendment public notice published in the February 26, 2023, Clipper soliciting public comments at the March 14, 2023, City Council meeting.
- Draft HOME-ARP Allocation Plan for submission to HUD on March 17, 2023.

This is a time-sensitive emergency request to help address our urgent and complex HOME-ARP challenges. One hundred percent (100%) of these funds will benefit the qualifying population for Chesapeake. There are no local funds match requirements.

The Planning Department respectfully requests that this item be placed on the March 14, 2023, City Council agenda for consideration. The PY 47 Annual Action Plan Substantial Amendment will be submitted to HUD immediately upon City Council's approval. Please contact me if you have any questions or require further background information.

JMc/cpb

Attachments

cc: Nancy Tracy, Finance Director
Jonathan Hobbs, Budget Director
Rebecca Benz, Deputy Planning Director
Crystal Bynum, Community Development Planning Administrator
Denise Henderson, Grants Accountant
Angela Williams, Accountant I
Ashley Roberson, Management Analyst
Lewis Martinez, Office Coordinator



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-1000

OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT

Wednesday, August 28, 2024

Allison Bogdanovic

Virginia Supportive Housing
P.O. Box 8585
Richmond, VA 23226
Email: abogdanovic@virginiassupportivehousing.org

Dear Community Project Funding Grantee,

In the Consolidated Appropriations Act, 2024 (Public Law 118-42) (the FY2024 Act), and the Further Consolidated Appropriations Act, 2024 (Public Law 118-47) (the Further FY2024 Act) Congress made \$3,290,054,336 in funding available for Community Project Funding (CPF). These CPF awards are administered by the Department of Housing and Urban Development (HUD). HUD received the information below about your project from Congress. A Grant Number has been added and will be the unique identifier for your project throughout the grant process.

Grant Number: B-24-CP-VA-2224
Project: Gosnold II
Grantee/Recipient: Virginia Supportive Housing
Amount: \$500,000
HUD Grant Officer: Angela Dyer / Angela.M.Dyer@hud.gov
HUD System Officer: Janai C. Streat / Janai.C.Streat@hud.gov
HUD Regional Environmental Officer: David Storms / David.A.Storms@hud.gov

This letter outlines initial grant award requirements and information needed from you to get started. This Grant Award Package also includes: The “FY2024 Community Project Funding Grant Guide” (FY2024 CPF Grant Guide), the template for your FY2024 Community Project Funding Grant Agreement, and the forms required to complete and submit information online to populate before we sign your FY2024 CPF Grant Agreement. A brief overview of these documents is below:

- 1) **FY2024 CPF Grant Guide**: The FY2024 CPF Grant Guide provides instructions for completing the requested information and filling out the required administrative forms to initiate your FY2024 CPF Grant Agreement. Please refer to this document as it includes important information and forms for accessing the online system (DRGR), as well as other information concerning reporting requirements.

2) FY2024 CPF Grant Agreement for this Award: The FY2024 CPF Grant Agreement specifies the applicable statutory provisions, regulations, and administrative requirements for this award. Please make sure all grantee information and award-specific information is entered completely and accurately before signing this Agreement. When you submit your grant materials on our DRGR Grant Processing Module it will create your customized FY2024 CPF Grant Agreement.

3) Standard Forms and Required Materials: The following forms will be needed:

- a. Form HUD-1044, Assistance Award/Amendment Form (Attached)
- b. Standard Form–424 Application for Federal Assistance (in the online system)
- c. SF-424-B, Assurances for Non construction Programs, and/or SF-424-D, Assurances for Construction Programs (in the online system)
- d. SF-LLL Disclosure of Lobbying Activities (as applicable in the online system):
<https://www.grants.gov/forms/forms-repository/sf-424-family>
- e. SF-1199A - Direct Deposit Sign-Up Form: <https://www.gsa.gov/system/files/SF1199A-20.pdf> The form is to be completed by the grantee and grantee's financial institution. Grantees will need to submit the completed form and upload to DRGR.

Grant Award Process Overview

Below is a step-by-step walk-through of the process and necessary documents and forms to execute your FY2024 CPF Grant Agreement. This process and the forms are also available in the FY2024 CPF Grant Guide, which can also be found on the program's webpage at:

https://www.hud.gov/program_offices/comm_planning/edi-grants/FY_2024 on HUD.gov and on this webpage <https://www.hudexchange.info/programs/cpf/> on the HUD Exchange.

1. Grantees should review the Grant Award Package documents.
2. Grantees should initiate or complete the HUD environmental review.
3. Grantees gather all required information and submit to HUD using the online system DRGR.
4. HUD provides access to DRGR system to access the Grant Processing Module to submit required information, answer questions, and upload documents. Once all required information is submitted online HUD will review the completed grant materials submitted.
5. HUD staff will review the information and documents for completeness. If there are any deficiencies the corrections and/or clarifying questions will be shared with the grantee for correcting or answering the clarifying questions. If not, HUD staff will submit the package internally for a second level review. Then, the Acting Director for the Congressional Grants Division will review the grant package. Finally, your Grant Agreement will be executed.
6. HUD will notify the grantee that their FY2024 Grant Agreement has been fully executed and will share additional materials with the grantee to complete to begin the payment processing activities to receive your funds.

Training and Tools

FY2024 CPF Onboarding Event: This event will take place in September. We will review this letter and grant award package materials along with sharing next steps and how to sign up for a cohort. The event will be recorded and shared online after the event.

FY2024 CPF Grantee Cohorts: This provides you and your staff the opportunity to register for a four-part training for how to prepare your grant materials and submit them online. Information about the registration will be shared via email and during the FY2024 CPF Onboarding Event.

FY2024 CPF Grantee Webinar Series: This provides you and your staff with information about the regulations, requirements, and processes for your grant. Information about the registration for the webinar series will be shared via email and during the FY2024 CPF Onboarding Event.

FY2024 CPF Grantee Online HUD Exchange Resources: This website page includes general information and your specific Fiscal Year information along with links to past and future technical assistance opportunities. The site is also used for you to register for our listserv and for communicating updates to you and those on the listserv.

Overview of Requirements

CPF grants are subject to several Federal requirements. HUD will provide additional information and further clarification regarding applicable requirements and the grant award process in upcoming webinars and additional technical assistance. The most essential requirements include:

- 1) **Administrative Requirements:** CPF grants are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200).
- 2) **HUD Environmental Review Requirements:** EDI/CPF grants, like all projects funded by HUD, are subject to requirements under the National Environmental Policy Act (NEPA), HUD's NEPA-implementing regulations at 24 CFR Part 50 or 24 CFR Part 58, and appropriate federal environmental and historic preservation laws, regulations, and Executive Orders.
 - To be eligible, activities and expenses must comply with applicable Federal requirements. This includes administrative requirements under 2 CFR Part 200, environmental laws, statutes and Executive Orders, and other "cross-cutting" federal requirements adhered to by HUD.
 - If the environmental review is being conducted by a local government responsible entity under Part 58, a Request for Release of Funds and Certification must be approved by HUD, as applicable. If the environmental review is being completed by HUD under Part 50, the environmental review must be approved and certified by HUD.

- HUD defines the “Federal Nexus” for a program or project as the event that triggers the requirements for federal environmental review under a host of laws, regulations, and Executive Orders, including the prohibition on choice limiting actions.
- For FY2024 grants, the date of the Act's enactment (March 9, 2024) is the federal nexus for compliance with all environmental laws. Once a project is federalized, in keeping with the National Environmental Policy Act (NEPA) and HUD’s NEPA-implementing regulations at 24 CFR Part 50 or 24 CFR Part 58, environmental reviews must be completed, and all necessary HUD approvals must be obtained prior to taking any choice limiting actions, such as acquisition, construction, ground disturbance, and entering into contracts.
- Further explanation and guidance on choice limiting actions and the environmental review process, including historic preservation review, is included within the CPF Grant Guide and on the program’s webpage at: <https://www.hudexchange.info/programs/cpf/>.
- Some projects may already be underway at the time of federal nexus and while it is still best practice to stop all work after the federal nexus before the environmental review is complete for EDI/CPF projects that are already underway at time of federal nexus, grantees are allowed to perform activities after the federal nexus, but only for activities which are part of a pre-nexus contract that obligates them to do so. However, grantees would be doing so at their own risk, as any activity performed, or proposed to be performed, after the federal nexus must be included in the project scope of a satisfactory environmental review to be reimbursable.
- A satisfactory review must show that the project activities will not result in unmitigable environmental harm and must not preclude consultation with the appropriate environmental authorities such as the State Historic Preservation Office (SHPO). Environmental authorities may refuse to consult if physical impacts are made to a site before consultation.
- HUD conducted a nationwide environmental review for FY24 EDI/CPF soft costs to clear activities such as administrative, planning, and operations and maintenance costs (including costs to prepare an environmental review). After execution of the Grant Agreement, eligible soft costs can be incurred after March 9, 2024 (see 2 CFR 200.403). Eligible hard costs can be reimbursed if incurred after a full environmental review is completed (see 2 CFR 200.403).
- HUD Environmental Officers:
<https://www.hud.gov/sites/dfiles/CPD/documents/Community-Project-Funding-Portfolio-Assignments.pdf>.

If you, or your staff, have any questions regarding how to complete or submit the requires documents, please feel free to contact your Grant Officer or System Officer. Please note while your Grant Officer may change over time, we have a team approach to managing your project. Please include your grant number and project in all email correspondence. We look forward to working with you on this important project!

Sincerely,



Nadab Bynum
Acting Deputy Assistant Secretary
for Economic Development



Hampton Roads
Community Foundation

Inspiring Philanthropy. Changing Lives.

March 21, 2023

Ms. Alison Bogdanovic
Executive Director
Virginia Supportive Housing
P.O. Box 8585
Richmond, VA 23226

Dear Ms. Bogdanovic:

I am pleased to inform you that a grant of \$200,000.00 was awarded to Virginia Supportive Housing for the Renovation and Expansion of Gosnold Apartments. This grant is made possible by the Perry and Bunny Morgan Fund of the Hampton Roads Community Foundation and the other donors of the Hampton Roads Community Foundation.

Enclosed is a copy of our standard grant agreement, which outlines the specific requirements and conditions of your grant. Please sign and return the agreement to expedite the release of funds.

Please note the grant's report deadlines. Reports should include an accounting of how the Foundation's funds were used and information on the progress and achievements that the project has made in assisting the organization to meet its goals. Report forms are available on your online dashboard through which you submitted your application.

If you have any questions about your grant agreement or payment schedule, please feel free to call me. The Foundation is pleased to be able to support your organization.

Sincerely,

Linda M. Rice
Vice President for Grantmaking

BOARD OF DIRECTORS

.....

Sharon S. Goodwyn
Chair

Frank Batten Jr.
Vice Chair

LD. Britt, MD

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Deborah M. DiCroce
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Rony Thomas

101 W. Main Street
Suite 4500
Norfolk, VA 23510
(757) 622-7951
HamptonRoadsCF.org



Hampton Roads
Community Foundation

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GRANT AGREEMENT

The grant to your organization from the **Alison J. and Ella W. Parsons Fund** of the Hampton Roads Community Foundation is for the explicit purposes(s) described below and is subject to your acceptance of the following conditions. To acknowledge this agreement and to accept the grant, **PLEASE SIGN AND RETURN THE ORIGINAL AGREEMENT TO THE HAMPTON ROADS COMMUNITY FOUNDATION.**

Grantee: Virginia Supportive Housing

Grant No. 28951 **Amount of Grant:** \$125,000

Program or Project Title: Renovation and expansion of Gosnold Apartments, South Bay Apartments and Clover Leaf Apartments

Grant Period Begins: 12/1/2023 **Ends:** 12/1/2028

Payment Schedule: Five equal payments of \$25,000 beginning in 2023 contingent upon receipt of signed grant agreement and timely submission of interim reports

Special Conditions of the Grant: None

Interim Report Due: 03/30/2024; 09/30/2025; 09/30/2026; 09/30/2027

Final Report Due: 12/1/2028

Special Provisions: Report should include updates on status of future renovation work at South Bay Apartments and Clover Leaf Apartments.

Program Officer: Jillian Pruitt

All grants are made in accordance with current and applicable laws and pursuant to the Internal Revenue Code, as amended, and the regulations issued hereunder. The following sections delineate the Foundation's basic obligations of the grantee.

Section One: Announcing Grants

The grantee agency is strongly encouraged to make public announcements about the project. The grantee is requested to acknowledge the **Alison J. and Ella W. Parsons Fund** of the Hampton Roads Community Foundation as grantmaker in all media communications, public announcements or printed materials concerning the project.

Copies of such communications and announcements, and of published references to the grant, should be sent to the Hampton Roads Community Foundation for its records.

In addition, grants approved by the Hampton Roads Community Foundation's Board of Directors are reported to the community through the Hampton Roads Community Foundation's newsletter, annual report and periodic listing of grants. The Hampton Roads Community Foundation also issues press releases describing individual projects or programs.

Section Two: Expenditure of Funds

This grant is to be used only for the purpose described above and in accordance with the approved budget. The program is subject to modification only with the Hampton Roads Community Foundation's prior written approval.

- A.** The Hampton Roads Community Foundation reserves the right to discontinue, modify or withhold any payments that might otherwise be due under this grant, and/or to require a refund of any unexpended funds
 - 1. at the end of the grant period, or
 - 2. if the Hampton Roads Community Foundation determines that the grantee has not performed satisfactorily in accordance with the approved program and budget, or in raising all funds needed to implement the approved project, or
 - 3. if the grantee loses exempt "public charity" status under Section 501(c)3 of the Internal Revenue Code.
- B.** No funds provided by the Hampton Roads Community Foundation may be used for any political campaign, or to support attempts to influence legislation by any governmental body, other than through making available the results of nonpartisan analysis, study and research.
- C.** Unless specifically authorized by the Hampton Roads Community Foundation, expenses charged against this grant may not be incurred prior to the effective date of the grant or subsequent to the termination date and may be incurred

only as necessary to carry out the purposes and activities of the approved program.

- D. The grantee organization is responsible for the expenditure of funds and for maintaining adequate supporting records consistent with generally accepted accounting practices.

Section Three: Reports to the Hampton Roads Community Foundation

Grantee organizations are expected to report to the Hampton Roads Community Foundation on the progress of their program or project according to the schedule described in this grant agreement.

The final report must summarize the achievements of and lessons learned from the project, provide a financial accounting for the expenditure of grant funds and report on measurable outcomes. Reports will be considered late if received after the dates specified on page one of the Agreement. The timeliness and quality of both the narrative and financial sections of progress reports will be factors in evaluating the grantee for future funding.

Section Four: Limit of Commitment

If the payment schedule stipulates payment over multiple years, future years' payments are conditioned on Foundation review of the project's progress.

Unless otherwise stipulated in writing, this grant is made with the understanding that the Hampton Roads Community Foundation has no obligation to provide other or additional support to the grantee.

Hampton Roads Community Foundation:

Grantee: Virginia Supportive Housing

Deborah M. DiCroce
Digitally signed by Deborah M. DiCroce
Date: 2023.12.19 16:18:44 -05'00'

JMP
Deborah M. DiCroce, Ed.D.
President and CEO

Allison Bogdanovic
Authorized Signature

December 19, 2023

Date

Allison Bogdanovic, Executive Director
Print Name and Title

December 22, 2023
Date

From: [Chris Edwards](#)
To: [Elizabeth Nice](#); [Julie Anderson](#); [Elliot Warsof](#)
Subject: Blocker Foundation award for Gosnold II
Date: Friday, October 18, 2024 2:42:32 PM

FYI

Christopher Edwards (he/him)

Director of Mission Advancement

SupportWorks Housing

1900 Cool Lane, Suite B

Richmond, VA 23223

(804) 788-6825 ext. 307

www.supportworkshousing.org



From: The Blocker Foundation <administrator@grantinterface.com>

Sent: Thursday, October 17, 2024 3:01 PM

To: Caitlin Reynolds <creynolds@supportworkshousing.org>

Cc: wsaunders@theblockerfoundation.com <wsaunders@theblockerfoundation.com>;
staylor@theblockerfoundation.com <staylor@theblockerfoundation.com>

Subject: Your Application Has Been Approved!

Dear Caitlin,

Congratulations! You have been awarded \$150,000.00 for your Capital Funding for the Renovation and Expansion of Gosnold Apartments (Gosnold II) project! You will receive follow-up soon in regard to your Grant Agreement and Reporting Requirements. Should you have any questions in the interim please do not hesitate to reach out to us at 757-942-2005.

Thank you,

Whitney G. Saunders, President and CEO
The Blocker Foundation
705 West Washington Street, Suite 200
Suffolk, Virginia 23434
Phone: (757) 942-2005
Fax: (757) 942-2065



Robyn S. Leavy
Executive Director

December 31, 2024

Ms. Allison Bogdanovic
Executive Director
Virginia Supportive Housing
P.O. Box 8585
Richmond, VA 23226

Dear Allison,

I am pleased to inform you that the Board of Director's of TowneBank Foundation has approved a grant to Virginia Supportive Housing (VSH) in the amount of \$150,000. This grant is being made specifically in support of funding towards the renovation and expansion of VSH's Gosnold Apartments in Norfolk.

This grant will be payable in three annual installments of \$50,000 each beginning in March of 2025 and continuing each March thereafter until paid in full. As with all of its grants, TowneBank Foundation reserves the right to review annually, for purposes of continuation, any of its grants and/or commitments.

Please send invoices for each annual grant payment to my attention at the address listed below approximately 30 days before each is due.

We are pleased to continue our partnership with VSH to help support its mission to end homelessness in Virginia by providing permanent housing and supportive services to those most vulnerable in our communities.

On behalf of Bob Aston and our entire TowneBank family, it is my pleasure and privilege to provide this grant award to VSH along with my sincere wish for its continued success with changing the lives of those who need it most.

Sincerely,


Robyn S. Leavy
Executive Director

Tab U:

Acknowledgement by Tenant of the availability of Renter
Education provided by Virginia Housing

Gosnold II Apartments
2425 Gosnold Avenue
Norfolk, VA 23517

RE: Availability of Renter Education

Dear Resident,

As a resident of Gosnold II Apartments, renter education is available to you from Virginia Housing as the local housing authority. Education includes, but is not limited to, your rights and responsibilities as a tenant, understanding your lease, and handling the application process. This education is recommended, but it is not required.

More information on the programs available to you can be found on the Virginia Housing website (<https://www.virginiahousing.com/renters/education>) or by calling Virginia Housing toll-free at (877) 843-2123.

Sincerely,
Gosnold II Apartments, LLC

Gosnold II Apartments: Renter Education Acknowledgment Form

I, _____, hereby acknowledge that I have received a copy of the Gosnold II Apartments "Renter Education Availability" letter and understand that renter education is available to me from Virginia Housing as the local housing authority.

I further attest that I will follow up with staff if I have any questions regarding the renter education available to me.

Resident Signature

Unit Number

Date

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Williams Mullen Center
200 South 10th Street
Suite 1600
Richmond, VA 23219
Attention: Lauren Nowlin

RIGHT OF FIRST REFUSAL AGREEMENT

(Gosnold II Apartments)

RIGHT OF FIRST REFUSAL AGREEMENT (the “Agreement”) dated as of _____, 2027 by and among **GOSNOLD II APARTMENTS, LLC**, a Virginia limited liability company (the “Owner” or the “Company”), **SUPPORTWORKS HOUSING**, a Virginia nonstock nonprofit corporation (the “Grantee”), and is consented to by **GOSNOLD II MANAGING MEMBER, LLC**, a Virginia limited liability company (the “Managing Member”), [INVESTOR ENTITY], a [_____] limited liability company (the “Investor Member”), and [SPECIAL MEMBER ENTITY], a [_____] limited liability company (the “Special Member”). The Managing Member, the Investor Member, and the Special Member are sometimes collectively referred to herein as the “Consenting Members.” The Investor Member and Special Member are sometimes collectively referred to herein as the “Non-Managing Members.” This Agreement shall be fully binding upon and inure to the benefit of the parties and their successors and assigns to the foregoing.

Recitals

A. The Owner, pursuant to its Amended and Restated Operating Agreement dated on or about the date hereof by and among the Consenting Members (the “Operating Agreement”), is engaged in the ownership and operation of an 80-unit permanent supportive housing project located in the City of Norfolk, Virginia and commonly known as “Gosnold II Apartments” (the “Project”). The real property comprising the Project is legally defined in Exhibit A; and

B. The Grantee is a qualified nonprofit organization as defined within Section 42 of the Internal Revenue Code of 1986, as amended, (the “Code”) and is both a member of the Managing Member of the Owner and instrumental to the development and operation of the Project; and

C. The Owner desires to give, grant, bargain, sell, and convey to the Grantee certain rights of first refusal to purchase the Project on the terms and conditions set forth herein; and

D. Capitalized terms used herein and not otherwise defined shall have the meanings outlined in the Operating Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereby agree as follows:

Section 1. Right of First Refusal

The Owner hereby grants to the Grantee a right of first refusal (the “Refusal Right”) to purchase the real or leasehold estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof and owned by the Company at the time (the “Property”), for the price and subject to the other terms and conditions set forth below. The Property will include any reserves of the Partnership that are required by the Virginia Housing Development Authority (“Virginia Housing” or the “Credit Authority”), or any lender of a loan being assumed in connection with the exercise of the Refusal Right to remain with the Project.

Section 2. Exercise of Refusal Right; Purchase Price

A. After the end of the Compliance Period, the Company agrees that it will not sell the Property or any portion thereof without first offering the Property to the Grantee (the “Refusal Right”), for the Purchase Price (as defined in Section 3); provided, however, that such Refusal Right shall be conditioned upon the receipt by the Company of a “bona fide offer” (the acceptance or rejection of which shall not require the Consent of the Members). The Company shall give the notice of its receipt of such offer (the “Offer Notice”) and shall deliver a copy of the Offer Notice to the Grantee and to Virginia Housing. Upon receipt of the Offer Notice by the Grantee and by Virginia Housing, the Grantee shall have ninety (90) days to deliver to the Company a written notice of its intent to exercise the Refusal Right (the “Election Notice”). An offer made with the purchase price and basic terms of the proposed sale from a third party shall constitute a “bona fide offer” for purposes of this Agreement. Such offer:

- (i) may be solicited by the Grantee or the Managing Member (with such solicitation permitted to begin at any time following the end of the fourteenth (14th) year of the Compliance Period, provided that the Election Notice may not be sent until the end of the Compliance Period); and
- (ii) may contain customary due diligence, financing, and other contingencies. Notwithstanding anything to the contrary herein, a sale of the Project pursuant to the Refusal Right shall not require the Consent of the Non- Managing Members [or of Virginia Housing].

B. If the Grantee fails to deliver the Election Notice within ninety (90) days of receipt of the Offer Notice, or if such Election Notice is delivered but the Grantee does not consummate the purchase of the Project within 270 days from the date of delivery of the Election Notice (each, individually, a “Terminating Event”), then its Refusal Right shall terminate, and the Company shall be permitted to sell the Property free of the Refusal Right.

Section 3. Purchase Price; Closing

A. The purchase price for the Property pursuant to the Refusal Right (the “Purchase Price”) shall equal the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners or members of the Non-Managing Members. Notwithstanding the foregoing, however, the Purchase Price shall never be less than the amount of the “minimum purchase price” as defined in Section 42(i)(7)(B) of the Code. The Refusal Right granted hereunder is intended to satisfy the requirements of Section 42(i)(7) of the Code and shall be interpreted consistently therewith. In computing such price, it shall be assumed that each of the Non-Managing Members of the Owner (or their constituent partners or members) has an effective combined federal, state and local income tax rate equal to the maximum of such rates in effect on the date of Closing.

B. All costs of the Grantee’s purchase of the Property pursuant to the Refusal Right, including any filing fees, shall be paid by the Grantee.

C. The Purchase Price shall be paid at Closing in either of the following methods:

- (i) the payment of all cash or immediately available funds at Closing; or
- (ii) the assumption of any assumable Loans if Grantee has obtained the consent of the lenders to the assumption of such Loans, which consent shall be secured at the sole cost and expense of Grantee; provided, however, that any Purchase Price balance remaining after the assumption of the Loans shall be paid by Grantee in immediately available funds.

Section 4. Conditions Precedent; Termination

A. Notwithstanding anything in this Agreement to the contrary, the right of the Grantee to exercise the Refusal Right and consummate any purchase pursuant thereto is contingent on each of the following being true and correct at the time of exercise of the Refusal Right and any purchase pursuant thereto:

- (i) the Grantee or its assignee shall be a “qualified nonprofit organization” as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a Qualified Beneficiary”); and
- (ii) the Project continues to be a “qualified low-income housing project” within the meaning of Section 42 of the Code.

B. This Agreement shall automatically terminate upon the occurrence of any of the following events and, if terminated, shall not be reinstated unless such reinstatement is agreed to in writing and signed by the Grantee and each of the Consenting Members:

- (i) the transfer of the Property to a lender in total or partial satisfaction of any loan;
or
- (ii) any transfer or attempted transfer of all or any part of the Refusal Right by the Grantee, whether by operation of law or otherwise, except as otherwise permitted under Section 7 of this Agreement; or
- (iii) the Project ceases to be a “qualified low-income housing project” within the meaning of Section 42 of the Code; or (iv) the Grantee fails to deliver its Election Notice or consummate the purchase of the Property within the timeframes outlined in Section 2 above.

C. If the Investor Member removes the Managing Member from the Company for failure to cure a default under the Operating Agreement after all applicable notice and cure periods, the Investor Member may elect to exercise any rights it has under the Operating Agreement to terminate this Agreement and to exercise any rights it has under the Operating Agreement to release this Agreement as a lien against the Project, upon first obtaining the prior written consent of Virginia Housing, which consent may be granted or withheld in Virginia Housing’s sole discretion.

Section 5. Contract and Closing

Upon determination of the purchase price, the Owner and the Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with the terms of this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing for a closing (the “Closing”) to occur in the City of Norfolk, Virginia not later than the timeframes set forth in Section 2. In the absence of any such contract, this Agreement shall be specifically enforceable upon the exercise of the Refusal Right.

Section 6. Conveyance and Condition of the Property

The Owner's right, title, and interest in the Property shall be conveyed by quitclaim deed or an assignment of lease, subject to such liens, encumbrances, and parties in possession as shall exist as of the date of Closing. The Grantee shall accept the Property “AS IS, WHERE IS” and “WITH ALL FAULTS AND DEFECTS,” latent or otherwise, without any warranty or representation as to the condition thereof whatsoever, including without limitation, without any warranty as to fitness for a particular purpose, habitability, or otherwise and no indemnity for hazardous waste or other conditions with respect to the Property will be provided. It is a

condition to Closing that all amounts due to the Owner and the Investor Member from the Grantee or its Affiliates be paid in full. The Grantee shall pay all closing costs, including, without limitation, the Owner's attorney's fees. Upon closing, the Owner shall deliver to the Grantee, along with the deed or assignment of the lease to the property, an ALTA owner's (leasehold, as applicable) title insurance policy dated as of the close of escrow in the amount of the purchase price, subject to the liens, encumbrances, and other exceptions then affecting the title.

Section 7. Transfer

The Refusal Right shall not be transferred without the Consent of the Investor Member, except that the Grantee may assign all or any of its rights under this Agreement to an Affiliate of Grantee (a "Permitted Assignee") at the election and direction of the Grantee, or to any assignee that shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42 of the Code (collectively, each, a "Qualified Beneficiary").

In the case of any transfer of the Refusal Right, (i) all rights, conditions, and restrictions applicable to the exercise or transfer of the Refusal Right or to the purchase of the Property pursuant thereto shall also apply to such transferee, and (ii) such transferee shall be disqualified from the exercise of any rights hereunder at all times during which the transferor would have been ineligible to exercise such rights hereunder had it not effected such transfer.

Section 8. Rights Subordinate; Priority of Requirements of Section 42 of the Code

This Agreement is subordinate in all respects to any regulatory agreements and to the terms and conditions of the Mortgage Loans encumbering the Property. In addition, it is the intention of the parties that nothing in this Agreement be construed to affect the Owner's status as owner of the Property for federal income tax purposes prior to exercise of the Refusal Right granted hereunder. Accordingly, notwithstanding anything to the contrary contained herein, both the grant and the exercise of the Refusal Right shall be subject in all respects to all applicable provisions of Section 42 of the Code, including, in particular, Section 42(i)(7). In the event of a conflict between the provisions contained in this Agreement and Section 42 of the Code, the provisions of Section 42 shall control.

Section 9. Option to Purchase

A. The parties hereto agree that if either the Code is revised or the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant an "option to purchase" pursuant to Section 42(i)(7) of the Code (or other applicable provision of Section 42) as opposed to a "right of first refusal" without adversely affecting the status of such owner as owner of its project for federal income tax purposes, then the parties shall amend this Agreement and the Owner shall grant the Grantee an option to purchase the Property at the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42.

B. The parties hereto agree that if either the Code is revised or the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant a "right of first refusal to purchase partner interests" and/or "purchase option to purchase partner interests" pursuant to Section 42(i)(7) of the Code (or other applicable provision) as opposed to a "right of first refusal to purchase the Project" without adversely affecting the status of such owner as owner of its project for federal income tax purposes (or the status of the Investor Member as a partner of the Company for federal income tax purposes) then the parties shall amend this Agreement and the Investor Members shall provide a right of first refusal and/or purchase option, as the case may be, to acquire their Interests for the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42.

Section 10. Notice

Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing by hand delivery (whether personally or by courier or other delivery service) or by certified mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing. Any such notice(s) shall be deemed given when received at such address or place or, in the case of certified mail, three (3) days after date of mailing.

- (A) If to the Owner, at the principal office of the Company set forth in Article II of the Operating Agreement;
- (B) If to a Consenting Member, at their respective addresses set forth in Schedule A of the Operating Agreement;
- (C) If to the Grantee, SupportWorks Housing, 1900 Cool Lane, Richmond, Virginia 23223, Attention: Allison Bogdanovic; and
- (E) If to Virginia Housing:

Virginia Housing Development Authority
c/o Director of Tax Credit Programs
601 S Belvidere Street
Richmond, Virginia 23220

Section 11. Severability of Provisions

Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

Section 12. Binding Provisions

The covenants and agreements contained herein shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 13. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Section 14. Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflicts of law. Notwithstanding the foregoing, Company, Investor Member, and Grantee do not intend the Refusal Right in this Agreement to be a common law right of first refusal but rather intend it to be understood and interpreted as a mechanism authorized by Section 42 of the Code to allow nonprofit entities to preserve affordable housing for low-income families in accordance with Grantee's charitable objectives.

Section 15. Headings

All headings in this Agreement are for convenience of reference only. 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 16. Amendments

This Agreement shall not be amended except by written agreement between Grantee and the Owner with the consent of each of the Consenting Members [and Virginia Housing].

Section 17. Time

Time is of the essence with respect to this Agreement, and all provisions relating thereto shall be so construed.

Section 18. Legal Fees

Except as otherwise provided herein, in the event that legal proceedings are commenced by the Owner against the Grantee or by the Grantee against the Owner in connection with this Agreement or the transactions contemplated hereby, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses.

Section 19. Subordination

This Agreement is and shall remain automatically subject and subordinate to any bona fide mortgage to (or assigned to) an institutional or governmental lender with respect to the Project. In the event of a foreclosure of any such mortgage or of the giving of a deed in lieu of foreclosure to any such mortgagee, this Agreement shall become void and shall be of no further force or effect.

Section 20. Rule Against Perpetuities Savings Clause

The term of this Agreement will be ninety years commencing on the date first written above unless sooner terminated pursuant to the provisions hereof. If any provision of this Agreement is construed as violating and applicable “Rule Against Perpetuities” by statute or common law, such provision will be deemed to remain in effect only until the death of the last survivor of the now-living descendants of any member of the 116th Congress of the United States, plus twenty-one (21) years thereafter. This Agreement and the Refusal Right 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.

Section 21. Third-Party Beneficiary; Virginia Housing Rights and Powers

Virginia Housing shall be a third-party beneficiary to this Agreement, and the benefits of all of the covenants and restrictions hereof shall inure to the benefit of Virginia Housing, including the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the parties or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. Virginia Housing and its agents shall have those rights and powers with respect to the Project as set forth in the Act and the Virginia Housing Rules and Regulations promulgated thereunder, including, without limitation, those rights and powers set forth in Chapter 1.2 of Title 365 of the Code of Virginia (1950), as amended, and 13VAC10-180-10 et seq., as amended.

[Signatures appear on following pages]

Right of First Refusal Agreement Gosnold II Apartments Signature Page 1 of 5


IN WITNESS WHEREOF, the parties hereto have caused this Right of First Refusal Agreement to be executed by their duly authorized representatives as of the date first stated above.

OWNER:

GOSNOLD II APARTMENTS, LLC,
a Virginia limited liability company

By: GOSNOLD II MANAGING MEMBER, LLC,
a Virginia limited liability company,
its Managing Member

By: SupportWorks Housing,
a Virginia nonprofit corporation,
its Managing Member

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

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF Henrico)

The foregoing instrument was acknowledged before me this 10th day of March, 2026, by Allison Bogdanovic, personally known to me or satisfactorily proven, as Executive Director of SupportWorks Housing, a Virginia nonprofit corporation, the managing member of Gosnold II Managing Member, LLC, a Virginia limited liability company, the Managing Member of Gosnold II Apartments, LLC, a Virginia limited liability company, on behalf of the company.

SEAL:

Elliot Warsof
NOTARY PUBLIC
Commonwealth of Virginia
Registration #7622364


Notary Public

Commission expires: 11/30/2027


Registration No. 7622364

[9]

Right of First Refusal Agreement Gosnold II Apartments Signature Page 2 of 5

GRANTEE:

SUPPORTWORKS HOUSING,
a Virginia nonstock corporation

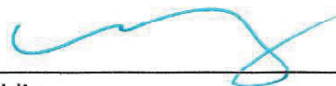
Signed by:
By:  (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF Henrico)

The foregoing instrument was acknowledged before me this 10th day of March, 2026,
by Allison Bogdanovic, personally known to me or satisfactorily proven, as Executive Director of
SupportWorks Housing, a Virginia nonprofit corporation, on behalf of the corporation.

SEAL:

Elliot Warsof
NOTARY PUBLIC
Commonwealth of Virginia
Registration #7622364


Notary Public
Commission expires: 11/30/2027
Registration No. 7622364

Right of First Refusal Agreement Gosnold II Apartments Signature Page 3 of 5

MANAGING MEMBER:

GOSNOLD II MANAGING MEMBER, LLC,
a Virginia limited liability company

By: SupportWorks Housing,
a Virginia nonprofit corporation,
its Managing Member

Signed by:
By: *Allison Bogdanovic* (SEAL)
Name: Allison Bogdanovic
Title: Executive Director

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF Henrico)

The foregoing instrument was acknowledged before me this 10th day of March, 2026,
by Allison Bogdanovic, personally known to me or satisfactorily proven, as Executive Director of
SupportWorks Housing, a Virginia nonprofit corporation, the managing member of Gosnold II
Managing Member, LLC, a Virginia limited liability company, on behalf of the company.

SEAL:

Elliot Warsof
NOTARY PUBLIC
Commonwealth of Virginia
Registration #7622364

[Signature]
Notary Public
Commission expires: 11/30/2027
Registration No. 7622364

INVESTOR MEMBER:

[INVESTOR MEMBER], a [Virginia] limited liability company

By: _____

Its: _____

_____ OF _____

_____ of _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____,
20____, by _____, on
behalf of _____,
a _____.

SEAL:

Notary Public

Commission expires: _____

Registration No. _____

SPECIAL MEMBER:

[SPECIAL MEMBER], a [Virginia] limited liability company

By: _____

Its: _____

_____ OF _____

_____ of _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____,
20____, by _____, on
behalf of _____,
a _____.

SEAL:

Notary Public

Commission expires: _____

Registration No. _____

EXHIBIT A
LEGAL DESCRIPTION

PARCEL ONE - LOTS 10-17; LOT 19 AND LOTS 20-25 IN BLOCK 24 - OLD DOMINION PLACE:

All those certain lots, pieces or parcels of land lying and being in the City of Norfolk, State of Virginia, and known, numbered and designated as Lots 10 through 17, Lot 19 and Lots 20 through 25 all in Block 24, on the Plat of Old Dominion Place, which plat is duly recorded in the Circuit Court of the City of Chesapeake (formerly Norfolk County), Virginia, in Map Book 5, at pages 2 and 3. Reference to which is hereby made for a more particular description of said property.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from W. E. Kyle, Substitute Trustee, dated January 22, 1946, recorded in Deed Book 453, page 603.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from T. C. Clarke and Gladys B. Clarke, his wife, dated January 2, 1941, recorded in Deed Book 366A, page 213.

(As to Lot 19:) IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING CO., INC., a Virginia corporation by deed from American Sheet Metal Corporation, dated March 30, 1962, recorded in Deed Book 899, page 434.

PARCEL TWO LOTS A AND C IN BLOCK 27, OLD DOMINION PLACE

All that certain lot, piece or parcel of land, together with the appurtenances thereunto belonging, lying, situate and being in the City of Norfolk, Virginia, and being known, numbered and designated as Lots A and C, as shown on that certain plat entitled, "RESUBDIVISION OF LOTS 1-6 AND 20-25 BLOCK 27, OLD DOMINION PLACE, NORFOLK, VIRGINIA", which plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, in Map Book 53, at page 48, reference to said plat being made for a more particular description of the said property.

IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING COMPANY, INC. by deed from Joel C. McPhaul and Eleanor J. McPhaul, dated May 27, 1970, recorded in Deed Book 1165, page 174.

Right of First Refusal Template B

Applicants seeking points for a Right of First Refusal must use Virginia Housing's form Right of First Refusal (ROFR) template:

- ~~Template A:~~ may be utilized by all applicants and ~~must~~ be used by all applicants unable to certify to Virginia Housing's form Previous Participation Certification ~~without striking any standard provisions.~~
- ~~Template B:~~ may only be utilized by applicants who submit Virginia Housing's form Previous Participation Certification with their respective Application ~~without striking any standard provisions.~~

The Right of First Refusal submitted as part of the application must be accompanied by a blackline showing that no changes have been made to this form beyond those necessary to complete it (e.g. filling in blanks, selecting bracketed language as appropriate).

RECORDING REQUESTED BY: _____ AND
WHEN RECORDED MAIL TO: _____

Williams Mullen Center
200 South 10th Street
Suite 1600
Richmond, VA 23219
Attention: Lauren Nowlin

RIGHT OF FIRST REFUSAL AGREEMENT
(~~{PROJECT NAME}~~Gosnold II Apartments)

RIGHT OF FIRST REFUSAL AGREEMENT (the “Agreement”) dated as of ~~{Closing Date}~~ _____, 2027 by and among ~~{OWNER ENTITY}~~GOSNOLD II APARTMENTS, LLC, a Virginia limited liability company (the “Owner” or the “Company”), ~~{GRANTEE ENTITY}~~SUPPORTWORKS HOUSING, a Virginia nonstock nonprofit corporation (the “Grantee”), and is consented to by ~~{GOSNOLD II MANAGING MEMBER ENTITY}~~, LLC, a Virginia limited liability company (the “Managing Member”), [INVESTOR ENTITY], a [_____] limited liability company (the “Investor Member”), and [SPECIAL MEMBER ENTITY], a [_____] limited liability company (the “Special Member”). The Managing Member, the Investor Member, and the Special Member are sometimes collectively referred to herein as the “Consenting Members.” The Investor Member and Special Member are sometimes collectively referred to herein as the “Non-Managing Members.” This Agreement shall be fully binding upon and inure to the benefit of the parties and their successors and assigns to the foregoing.

Recitals

A. The Owner, pursuant to its ~~{Amended and Restated}~~ Operating Agreement dated on or about the date hereof by and among the Consenting Members (the “Operating Agreement”), is engaged in the ownership and operation of an ~~{_____} unit apartment~~80-unit permanent supportive housing project ~~for families~~ located in ~~{_____}~~the City of Norfolk, Virginia and commonly known as “~~{PROJECT NAME}~~Gosnold II Apartments” (the “Project”). The real property comprising the Project is legally defined in Exhibit A; and

B. The Grantee is a qualified nonprofit organization as defined within Section 42 of the Internal Revenue Code of 1986, as amended, (the “Code”) and is both a member of the Managing Member of the Owner and instrumental to the development and operation of the Project; and

C. The Owner desires to give, grant, bargain, sell, and convey to the Grantee certain rights of first refusal to purchase the Project on the terms and conditions set forth herein; and

D. Capitalized terms used herein and not otherwise defined shall have the meanings outlined in the Operating Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereby agree as follows:

Section 1. Right of First Refusal

The Owner hereby grants to the Grantee a right of first refusal (the “Refusal Right”) to purchase the real or leasehold estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof and owned by the Company at the time (the “Property”), for the price and subject to the other terms and conditions set forth below. The Property will include any reserves of the Partnership that are required by the Virginia Housing Development Authority (“Virginia Housing” or the “Credit Authority”), or any lender of a loan being assumed in connection with the exercise of the Refusal Right to remain with the Project.

Section 2. Exercise of Refusal Right; Purchase Price

A. After the end of the Compliance Period, the Company agrees that it will not sell the Property or any portion thereof without first offering the Property to the Grantee (the “Refusal Right”), for the Purchase Price (as defined in Section 3); provided, however, that such Refusal Right shall be conditioned upon the receipt by the Company of a “bona fide offer” (the acceptance or rejection of which shall not require the Consent of the Members). The Company shall give the notice of its receipt of such offer (the “Offer Notice”) and shall deliver a copy of the Offer Notice to the Grantee and to Virginia Housing. Upon receipt of the Offer Notice by the Grantee and by Virginia Housing, the Grantee shall have ninety (90) days to deliver to the Company a written notice of its intent to exercise the Refusal Right (the “Election Notice”). An offer made with the purchase price and basic terms of the proposed sale from a third party shall constitute a “bona fide offer” for purposes of this Agreement. Such offer:

- (i) may be solicited by the Grantee or the Managing Member (with such solicitation permitted to begin at any time following the end of the fourteenth (14th) year of the Compliance Period, provided that the Election Notice may not be sent until the end of the Compliance Period); and
- (ii) may contain customary due diligence, financing, and other contingencies. Notwithstanding anything to the contrary herein, a sale of the Project pursuant to the Refusal Right shall not require the Consent of the Non- Managing Members [or of Virginia Housing].

B. If the Grantee fails to deliver the Election Notice within ninety (90) days of receipt of the Offer Notice, or if such Election Notice is delivered but the Grantee does not consummate the purchase of the Project within 270 days from the date of delivery of the Election Notice (each, individually, a “Terminating Event”), then its Refusal Right shall terminate, and the Company shall be permitted to sell the Property free of the Refusal Right.

Section 3. Purchase Price; Closing

A. The purchase price for the Property pursuant to the Refusal Right (the “Purchase Price”) shall equal the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners or members of the Non-Managing Members. Notwithstanding the foregoing, however, the Purchase Price shall never be less than the amount of the “minimum purchase price” as defined in Section 42(i)(7)(B) of the Code. The Refusal Right granted hereunder is intended to satisfy the requirements of Section 42(i)(7) of the Code and shall be interpreted consistently therewith. In computing such price, it shall be assumed that each of the Non-Managing Members of the Owner (or their constituent partners or members) has an effective combined federal, state and local income tax rate equal to the maximum of such rates in effect on the date of Closing.

B. All costs of the Grantee’s purchase of the Property pursuant to the Refusal Right, including any filing fees, shall be paid by the Grantee.

C. The Purchase Price shall be paid at Closing in either of the following methods:

- (i) the payment of all cash or immediately available funds at Closing; or
- (ii) the assumption of any assumable Loans if Grantee has obtained the consent of the lenders to the assumption of such Loans, which consent shall be secured at the sole cost and expense of Grantee; provided, however, that any Purchase Price balance remaining after the assumption of the Loans shall be paid by Grantee in immediately available funds.

Section 4. Conditions Precedent; Termination

A. Notwithstanding anything in this Agreement to the contrary, the right of the Grantee to exercise the Refusal Right and consummate any purchase pursuant thereto is contingent on each of the following being true and correct at the time of exercise of the Refusal Right and any purchase pursuant thereto:

- (i) the Grantee or its assignee shall be a “qualified nonprofit organization” as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser

described in Section 42(i)(7)(A) of the Code (collectively, each, a Qualified Beneficiary”); and

- (ii) the Project continues to be a “qualified low-income housing project” within the meaning of Section 42 of the Code.

B. This Agreement shall automatically terminate upon the occurrence of any of the following events and, if terminated, shall not be reinstated unless such reinstatement is agreed to in writing and signed by the Grantee and each of the Consenting Members:

- (i) the transfer of the Property to a lender in total or partial satisfaction of any loan; or
- (ii) any transfer or attempted transfer of all or any part of the Refusal Right by the Grantee, whether by operation of law or otherwise, except as otherwise permitted under Section 7 of this Agreement; or
- (iii) the Project ceases to be a “qualified low-income housing project” within the meaning of Section 42 of the Code; or (iv) the Grantee fails to deliver its Election Notice or consummate the purchase of the Property within the timeframes outlined in Section 2 above.

C. If the Investor Member removes the Managing Member from the Company for failure to cure a default under the Operating Agreement after all applicable notice and cure periods, the Investor Member may elect to exercise any rights it has under the Operating Agreement to terminate this Agreement and to exercise any rights it has under the Operating Agreement to release this Agreement as a lien against the Project, upon first obtaining the prior written consent of Virginia Housing, which consent may be granted or withheld in Virginia Housing’s sole discretion.

Section 5. Contract and Closing

Upon determination of the purchase price, the Owner and the Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with the terms of this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing for a closing (the “Closing”) to occur in the City/~~County of~~ of Norfolk, Virginia not later than the timeframes set forth in Section 2. In the absence of any such contract, this Agreement shall be specifically enforceable upon the exercise of the Refusal Right.

Section 6. Conveyance and Condition of the Property

The Owner's right, title, and interest in the Property shall be conveyed by quitclaim deed or an assignment of lease, subject to such liens, encumbrances, and parties in possession as shall exist as of the date of Closing. The Grantee shall accept the Property "AS IS, WHERE IS" and "WITH ALL FAULTS AND DEFECTS," latent or otherwise, without any warranty or representation as to the condition thereof whatsoever, including without limitation, without any warranty as to fitness for a particular purpose, habitability, or otherwise and no indemnity for hazardous waste or other conditions with respect to the Property will be provided. It is a condition to Closing that all amounts due to the Owner and the Investor Member from the Grantee or its Affiliates be paid in full. The Grantee shall pay all closing costs, including, without limitation, the Owner's attorney's fees. Upon closing, the Owner shall deliver to the Grantee, along with the deed or assignment of the lease to the property, an ALTA owner's (leasehold, as applicable) title insurance policy dated as of the close of escrow in the amount of the purchase price, subject to the liens, encumbrances, and other exceptions then affecting the title.

Section 7. Transfer

The Refusal Right shall not be transferred without the Consent of the Investor Member, except that the Grantee may assign all or any of its rights under this Agreement to an Affiliate of Grantee (a "Permitted Assignee") at the election and direction of the Grantee, or to any assignee that shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42 of the Code (collectively, each, a "Qualified Beneficiary").

In the case of any transfer of the Refusal Right, (i) all rights, conditions, and restrictions applicable to the exercise or transfer of the Refusal Right or to the purchase of the Property pursuant thereto shall also apply to such transferee, and (ii) such transferee shall be disqualified from the exercise of any rights hereunder at all times during which the transferor would have been ineligible to exercise such rights hereunder had it not effected such transfer.

Section 8. Rights Subordinate; Priority of Requirements of Section 42 of the Code

This Agreement is subordinate in all respects to any regulatory agreements and to the terms and conditions of the Mortgage Loans encumbering the Property. In addition, it is the intention of the parties that nothing in this Agreement be construed to affect the Owner's status as owner of the Property for federal income tax purposes prior to exercise of the Refusal Right granted hereunder. Accordingly, notwithstanding anything to the contrary contained herein, both the grant and the exercise of the Refusal Right shall be subject in all respects to all applicable provisions of Section 42 of the Code, including, in particular, Section 42(i)(7). In the event of a conflict between the provisions contained in this Agreement and Section 42 of the Code, the provisions of Section 42 shall control.

Section 9. Option to Purchase

A. The parties hereto agree that if either the Code is revised or the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant an “option to purchase” pursuant to Section 42(i)(7) of the Code (or other applicable provision of Section 42) as opposed to a “right of first refusal” without adversely affecting the status of such owner as owner of its project for federal income tax purposes, then the parties shall amend this Agreement and the Owner shall grant the Grantee an option to purchase the Property at the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42.

B. The parties hereto agree that if either the Code is revised or the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant a “right of first refusal to purchase partner interests” and/or “purchase option to purchase partner interests” pursuant to Section 42(i)(7) of the Code (or other applicable provision) as opposed to a “right of first refusal to purchase the Project” without adversely affecting the status of such owner as owner of its project for federal income tax purposes (or the status of the Investor Member as a partner of the Company for federal income tax purposes) then the parties shall amend this Agreement and the Investor Members shall provide a right of first refusal and/or purchase option, as the case may be, to acquire their Interests for the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42.

Section 10. Notice

Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing by hand delivery (whether personally or by courier or other delivery service) or by certified mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing. Any such notice(s) shall be deemed given when received at such address or place or, in the case of certified mail, three (3) days after date of mailing.

- (A) If to the Owner, at the principal office of the Company set forth in Article II of the Operating Agreement;
- (B) If to a Consenting Member, at their respective addresses set forth in Schedule A of the Operating Agreement;
- (C) If to the Grantee, ~~_____~~, ~~_____~~; SupportWorks Housing, 1900 Cool Lane, Richmond, Virginia 23223, Attention: Allison Bogdanovic; and
- ~~(D) _____; and~~
- (E) If to Virginia Housing:

Virginia Housing Development Authority
c/o Director of Tax Credit Programs
601 S Belvidere Street
Richmond, Virginia 23220

Section 11. Severability of Provisions

Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

Section 12. Binding Provisions

The covenants and agreements contained herein shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 13. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Section 14. Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflicts of law. Notwithstanding the foregoing, Company, Investor Member, and Grantee do not intend the Refusal Right in this Agreement to be a common law right of first refusal but rather intend it to be understood and interpreted as a mechanism authorized by Section 42 of the Code to allow nonprofit entities to preserve affordable housing for low-income families in accordance with Grantee's charitable objectives.

Section 15. Headings

All headings in this Agreement are for convenience of reference only. 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 16. Amendments

This Agreement shall not be amended except by written agreement between Grantee and the Owner with the consent of each of the Consenting Members [and Virginia Housing].

Section 17. Time

Time is of the essence with respect to this Agreement, and all provisions relating thereto shall be so construed.

Section 18. Legal Fees

Except as otherwise provided herein, in the event that legal proceedings are commenced by the Owner against the Grantee or by the Grantee against the Owner in connection with this Agreement or the transactions contemplated hereby, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses.

Section 19. Subordination

This Agreement is and shall remain automatically subject and subordinate to any bona fide mortgage to (or assigned to) an institutional or governmental lender with respect to the Project. In the event of a foreclosure of any such mortgage or of the giving of a deed in lieu of foreclosure to any such mortgagee, this Agreement shall become void and shall be of no further force or effect.

Section 20. Rule Against Perpetuities Savings Clause

The term of this Agreement will be ninety years commencing on the date first written above unless sooner terminated pursuant to the provisions hereof. If any provision of this Agreement is construed as violating and applicable "Rule Against Perpetuities" by statute or common law, such provision will be deemed to remain in effect only until the death of the last survivor of the now-living descendants of any member of the 116th Congress of the United States, plus twenty-one (21) years thereafter. This Agreement and the Refusal Right 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.

Section 21. Third-Party Beneficiary; Virginia Housing Rights and Powers

Virginia Housing shall be a third-party beneficiary to this Agreement, and the benefits of all of the covenants and restrictions hereof shall inure to the benefit of Virginia Housing, including the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the parties or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. Virginia Housing and its agents shall have those rights and powers with respect to the Project as set forth in the Act and the Virginia Housing Rules and Regulations promulgated thereunder, including, without limitation, those

rights and powers set forth in Chapter 1.2 of Title 365 of the Code of Virginia (1950), as amended, and 13VAC10-180-10 et seq., as amended.

[Signatures appear on following pages]

IN WITNESS WHEREOF, the parties hereto have caused this Right of First Refusal Agreement to be executed by their duly authorized representatives as of the date first stated above.

OWNER:

~~{OWNER}, a {~~

GOSNOLD II APARTMENTS, LLC,

a Virginia ~~+~~ limited liability company

By: GOSNOLD II MANAGING MEMBER, LLC,
a Virginia limited liability company,
its Managing Member

By: _____
SupportWorks Housing,
a Virginia nonprofit corporation,
its Managing Member

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

~~Its:~~ _____

COMMONWEALTH OF VIRGINIA)
)
_____CITY/COUNTY OF _____)

~~_____ of _____, to wit:~~

The foregoing instrument was acknowledged before me this _____ day of _____, 202__, by Allison Bogdanovic, personally known to me or satisfactorily proven, as Executive Director of SupportWorks Housing, a Virginia nonprofit corporation, the managing member of Gosnold II Managing Member, LLC, a Virginia limited liability company, the Managing Member of Gosnold II Apartments, LLC, a Virginia limited liability company, on behalf of the company.

~~The foregoing instrument was acknowledged before me this _____ day of _____, 20__,~~

~~by~~

=

on behalf of _____

a _____

SEAL:

Notary Public

Commission expires: _____

Registration No.

Right of First Refusal Agreement for ~~[PROJECT NAME]~~ Gosnold II Apartments – Signature Page 2
of 5

GRANTEE:

~~{GRANTEE}~~, a ~~[Virginia] limited liability company~~

SUPPORTWORKS HOUSING,
a Virginia nonstock corporation

By: _____

(SEAL)

Name: Allison Bogdanovic

Title: Executive Director

~~Its:~~ _____

COMMONWEALTH OF VIRGINIA)

)

_____ CITY/COUNTY OF _____)

_____ of _____, to wit:

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by

_____ day of _____, 202____, by Allison Bogdanovic, personally known to me or satisfactorily proven, as Executive Director of SupportWorks Housing, a Virginia nonprofit corporation, on behalf of the corporation.

on behalf of _____

a _____

SEAL:

Notary Public

Commission expires: _____

Registration

No.

Right of First Refusal Agreement for ~~[PROJECT NAME]~~ Gosnold II Apartments— Signature Page 3
of 5

MANAGING MEMBER:

~~[MANAGING MEMBER], a~~ GOSNOLD II MANAGING MEMBER, LLC,
a Virginia ~~limited liability company~~

By: SupportWorks Housing,
a Virginia nonprofit corporation,
its Managing Member

By: _____

(SEAL)

Name: Allison Bogdanovic
Title: Executive Director

Its: _____

COMMONWEALTH OF VIRGINIA)
)
_____CITY/COUNTY OF _____)

_____ of _____, to wit:

The foregoing instrument was acknowledged before me this _____ day of _____, 202 , by Allison Bogdanovic, personally known to me or satisfactorily proven, as Executive Director of SupportWorks Housing, a Virginia nonprofit corporation, the managing member of Gosnold II Managing Member, LLC, a Virginia limited liability company, on behalf of the company.

~~The foregoing instrument was acknowledged before me this _____ day of _____, 20____,~~

~~by~~

on behalf of _____
a _____

SEAL:

Notary Public

Commission expires: _____

Registration No.

INVESTOR MEMBER:

[INVESTOR MEMBER], a [Virginia] limited liability company

By: _____

Its: _____

_____ OF _____

_____ of _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____,
20____, by

=

_____ on

behalf of _____,

on _____ behalf _____ of

_____, a

_____.

SEAL:

Notary Public

Commission expires: _____

Registration No. _____

SPECIAL MEMBER:

[SPECIAL MEMBER], a [Virginia] limited liability company

By: _____

Its: _____

_____ OF _____

_____ of _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____,
20____, by

=

_____, on

~~behalf of~~ _____,

on _____ behalf _____ of

_____, a

SEAL:

Notary Public

Commission expires: _____

Registration No. _____

EXHIBIT A
LEGAL DESCRIPTION

~~[insert legal description]~~

PARCEL ONE - LOTS 10-17; LOT 19 AND LOTS 20-25 IN BLOCK 24 - OLD DOMINION PLACE:

All those certain lots, pieces or parcels of land lying and being in the City of Norfolk, State of Virginia, and known, numbered and designated as Lots 10 through 17, Lot 19 and Lots 20 through 25 all in Block 24, on the Plat of Old Dominion Place, which plat is duly recorded in the Circuit Court of the City of Chesapeake (formerly Norfolk County), Virginia, in Map Book 5, at pages 2 and 3. Reference to which is hereby made for a more particular description of said property.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from W. E. Kyle, Substitute Trustee, dated January 22, 1946, recorded in Deed Book 453, page 603.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from T. C. Clarke and Gladys B. Clarke, his wife, dated January 2, 1941, recorded in Deed Book 366A, page 213.

(As to Lot 19:) IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING CO., INC., a Virginia corporation by deed from American Sheet Metal Corporation, dated March 30, 1962, recorded in Deed Book 899, page 434.

PARCEL TWO LOTS A AND C IN BLOCK 27, OLD DOMINION PLACE

All that certain lot, piece or parcel of land, together with the appurtenances thereunto belonging, lying, situate and being in the City of Norfolk, Virginia, and being known, numbered and designated as Lots A and C, as shown on that certain plat entitled, "RESUBDIVISION OF LOTS 1-6 AND 20-25 BLOCK 27, OLD DOMINION PLACE, NORFOLK, VIRGINIA", which plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, in Map Book 53, at page 48, reference to said plat being made for a more particular description of the said property.

IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING COMPANY, INC. by deed from Joel C. McPhaul and Eleanor J. McPhaul, dated May 27, 1970, recorded in Deed Book 1165, page 174.

Summary report:	
Litera Compare for Word 11.13.0.54 Document comparison done on 3/10/2026 2:52:52 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://williamsmullen.cloudimanager.com/iwovric/151098839/1 - VHDA Right of First Refusal -Template B (2026).docx	
Modified DMS: iw://williamsmullen.cloudimanager.com/iwovric/151252489/1 - Gosnold II Apartments, LLC - Right of First Refusal - Template B (2026).doc.docx	
Changes:	
<u>Add</u>	86
Delete	74
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	1
Embedded Excel	0
Format changes	0
Total Changes:	161

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Williams Mullen Center
200 South 10th Street
Suite 1600
Richmond, VA 23219
Attention: Lauren Nowlin

PURCHASE OPTION AGREEMENT
(Gosnold II Apartments)

THIS PURCHASE OPTION AGREEMENT (the “Agreement”) dated as of _____, 20__ by and among **GOSNOLD II APARTMENTS, LLC**, a Virginia limited liability company (the “Owner” or the “Company”), **SUPPORTWORKS HOUSING**, a Virginia non-stock nonprofit corporation (the “Grantee”), and is consented to by **GOSNOLD II MANAGING MEMBER, LLC**, a Virginia limited liability company (the “Managing Member”), **[INVESTOR ENTITY]**, a [_____] limited liability company (the “Investor Member”) and **[SPECIAL LIMITED PARTNER, L.L.C.]**, a [_____] limited liability company (the “Special Member”). The Managing Member, the Investor Member and the Special Member are sometimes collectively referred to herein as the “Consenting Members”. The Investor Member and Special Member are sometimes collectively referred to herein as the “Non-Managing Members”. This Agreement shall be fully binding upon and inure to the benefit of the parties and their successors and assigns to the foregoing.

Recitals

A. The Owner, pursuant to its Amended and Restated Operating Agreement dated on or about the date hereof by and among the Consenting Members (the “Operating Agreement”), is engaged in the ownership and operation of an 80-unit permanent supportive housing project located in the City Norfolk, Virginia and commonly known as “Gosnold II Apartments” (the “Project”). The real property comprising the Project is legally defined on **Exhibit A**.

B. The Grantee is a member of the Managing Member of the Owner and is instrumental to the development and operation of the Project; and

C. The Owner desires to give, grant, bargain, sell and convey to the Grantee a certain purchase option to purchase the Project on the terms and conditions set forth herein;

D. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Operating Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereby agree as follows:

Section 1. Purchase Option

The Owner hereby grants to the Grantee an option (the “Purchase Option”) to purchase the real estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof and owned by the Company at the time (the “Property”), for a period of sixty (60) months following the expiration of the Compliance Period, for the price and subject to the other terms and conditions set forth below. The Property will include any reserves of the Partnership that is required by the Virginia Housing Development Authority (“Virginia Housing” or the “Credit Authority”) or any lender of a loan being assumed in connection with the exercise of the Purchase Option to remain with the Project.

Section 2. Exercise of Purchase 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 (as hereinafter defined) 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. Notwithstanding anything to the contrary herein, a sale of the Project pursuant to the Purchase Option shall not require the Consent of the Non-Managing Members or of Virginia Housing.

Section 3. Purchase Price; Closing

A. The purchase price for the Project pursuant to the Purchase Option (the “Purchase Option Price”) shall be the greater of the following amounts: (a) the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners or members of the Non-Managing Members; and (b) the fair market value of the Project, 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.

B. All costs of the Grantee’s purchase of the Property pursuant to the Purchase Option, including any filing fees, shall be paid by Grantee.

C. The Purchase Price shall be paid at Closing in one of the following methods:

(i) the payment of all cash or immediately available funds at Closing,
or

(ii) the assumption of any assumable Loans if Grantee has obtained the consent of the lenders to the assumption of such Loans, which consent shall be secured at the sole cost and expense of Grantee; provided, however, that any Purchase Price balance remaining after the assumption of the Loans shall be paid by Grantee in immediately available funds.

Section 4. Conditions Precedent; Termination

A. Notwithstanding anything in this Agreement to the contrary, the right of the Grantee to exercise the Purchase Option and consummate any purchase pursuant thereto is contingent on each of the following being true and correct at the time of exercise of the Purchase Option and any purchase pursuant thereto:

(i) the Grantee or its assignee shall be a “qualified nonprofit organization” as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a “Qualified Beneficiary”); and

(ii) the Project continues to be a “qualified low-income housing project” within the meaning of Section 42 of the Code.

B. This Agreement shall automatically terminate upon the occurrence of any of the following events and, if terminated, shall not be reinstated unless such reinstatement is agreed to in a writing signed by the Grantee and each of the Consenting Members:

(i) the transfer of the Property to a lender in total or partial satisfaction of any loan; or

(ii) any transfer or attempted transfer of all or any part of the Purchase Option by the Grantee, whether by operation of law or otherwise, except as otherwise permitted under Section 4 of this Agreement; or

(iii) the Project ceases to be a “qualified low-income housing project” within the meaning of Section 42 of the Code, or

(iv) the Grantee fails to deliver its Election Notice or consummate the purchase of the Property within the timeframes set forth in Section 2 above.

Section 5. Contract and Closing

Upon determination of the purchase price, the Owner and the Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with the terms of this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing for a closing (the “Closing”) to occur in the City of Norfolk, Virginia not later than the timeframes set forth in Section 2. In the absence of any such contract, this Agreement shall be specifically enforceable upon the exercise of the Purchase Option.

Section 6. Conveyance and Condition of the Property

The Owner’s right, title and interest in the Property shall be conveyed by quitclaim deed, subject to such liens, encumbrances and parties in possession as shall exist as of the date of Closing. The Grantee shall accept the Property “**AS IS, WHERE IS**” and “**WITH ALL FAULTS AND DEFECTS,**” latent or otherwise, without any warranty or representation as to the condition

thereof whatsoever, including without limitation, without any warranty as to fitness for a particular purpose, habitability, or otherwise and no indemnity for hazardous waste or other conditions with respect to the Property will be provided. It is a condition to Closing that all amounts due to the Owner and the Investor Member from the Grantee or its Affiliates be paid in full. The Grantee shall pay all closing costs, including, without limitation, the Owner's attorney's fees. Upon closing, the Owner shall deliver to the Grantee, along with the deed to the property, an ALTA owner's title insurance policy dated as of the close of escrow in the amount of the purchase price, subject to the liens, encumbrances and other exceptions then affecting the title.

Section 7. Transfer

The Purchase Option shall not be transferred to any Person without the Consent of the Investor Member, except that the Grantee may assign all or any of its rights under this Agreement to an Affiliate of Grantee (a "Permitted Assignee") at the election and direction of the Grantee or to any assignee that shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a "Qualified Beneficiary").

In the case of any transfer of the Purchase Option (i) all conditions and restrictions applicable to the exercise of the Purchase Option or the purchase of the Property pursuant thereto shall also apply to such transferee, and (ii) such transferee shall be disqualified from the exercise of any rights hereunder at all times during which Grantee would have been ineligible to exercise such rights hereunder had it not effected such transfer.

Section 8. Rights Subordinate; Priority of Requirements of Section 42 of the Code

This Agreement is subordinate in all respects to any regulatory agreements and to the terms and conditions of the Mortgage Loans encumbering the Property. In addition, it is the intention of the parties that nothing in this Agreement be construed to affect the Owner's status as owner of the Property for federal income tax purposes prior to exercise of the Purchase Option granted hereunder. Accordingly, notwithstanding anything to the contrary contained herein, both the grant and the exercise of the Purchase Option shall be subject in all respects to all applicable provisions of Section 42 of the Code, including, in particular, Section 42(i)(7). In the event of a conflict between the provisions contained in this Agreement and Section 42 of the Code, the provisions of Section 42 shall control.

Section 9. Notice

Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing and shall be deemed to have been given and received (i) two (2) business days after being deposited in the United States mail and sent by certified or registered mail, postage prepaid, (ii) one (1) business day after being delivered to a nationally recognized overnight delivery service, (iii) on the day sent by telecopier or other facsimile transmission, answer back requested, or (iv) on the day delivered personally, in each case, to the parties at the addresses set forth below or at such other addresses as such parties may designate by notice to the other party:

(i) If to the Owner, at the principal office of the Company set forth in Article II of the Operating Agreement;

(ii) If to a Consenting Member, at their respective addresses set forth in Schedule A of the Operating Agreement; and

(iii) If to the Grantee, SupportWorks Housing, 1900 Cool Lane, Richmond, Virginia 23223, Attention: Allison Bogdanovic.

Section 10. Severability of Provisions

Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

Section 11. Binding Provisions

The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors, and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 12. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Section 13. Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflicts of law.

Section 14. Headings

All headings in this Agreement are for convenience of reference only. 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 15. Amendments

This Agreement shall not be amended except by written agreement between Grantee and the Owner with the consent of each of the Consenting Members and Virginia Housing.

Section 16. Time

Time is of the essence with respect to this Agreement, and all provisions relating thereto shall be so construed.

Section 17. Legal Fees

Except as otherwise provided herein, in the event that legal proceedings are commenced by the Owner against the Grantee or by the Grantee against the Owner in connection with this Agreement or the transactions contemplated hereby, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses.

Section 18. Subordination

This Agreement is and shall remain automatically subject and subordinate to any bona fide mortgage to (or assigned to) an institutional or governmental lender with respect to the Project and, in the event of a foreclosure of any such mortgage, or of the giving of a deed in lieu of foreclosure to any such mortgagee, this Agreement shall become void and shall be of no further force or effect.

Section 19. Rule Against Perpetuities Savings Clause

The term of this Agreement will be ninety years commencing on the date first written above unless sooner terminated pursuant to the provisions hereof. If any provision of this Agreement is construed as violating and applicable "Rule Against Perpetuities" by statute or common law, such provision will be deemed to remain in effect only until the death of the last survivor of the now living descendants of any member of the 116th Congress of the United States, plus twenty-one (21) years thereafter. This Agreement and the 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.

Section 20. Third Party Beneficiary; Virginia Housing Rights and Powers

The Virginia Housing Development Authority ("Virginia Housing") shall be a third party beneficiary to this Agreement, and the benefits of all of the covenants and restrictions hereof shall inure to the benefit of Virginia Housing, including the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the parties or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. The Authority and its agents shall have those rights and powers with respect to the Project as set forth in the Act and the Virginia Housing Rules and Regulations promulgated thereunder, including without limitation, those rights and powers set forth in Chapter 1.2 of Title 365 of the Code of Virginia (1950), as amended, and 13VAC10-180-10 et seq., as amended.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT A

LEGAL DESCRIPTION

PARCEL ONE - LOTS 10-17; LOT 19 AND LOTS 20-25 IN BLOCK 24 - OLD DOMINION PLACE:

All those certain lots, pieces or parcels of land lying and being in the City of Norfolk, State of Virginia, and known, numbered and designated as Lots 10 through 17, Lot 19 and Lots 20 through 25 all in Block 24, on the Plat of Old Dominion Place, which plat is duly recorded in the Circuit Court of the City of Chesapeake (formerly Norfolk County), Virginia, in Map Book 5, at pages 2 and 3. Reference to which is hereby made for a more particular description of said property.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from W. E. Kyle, Substitute Trustee, dated January 22, 1946, recorded in Deed Book 453, page 603.

IT BEING a portion of the same property conveyed to NORFOLK NEHI BOTTLING COMPANY, INCORPORATED by deed from T. C. Clarke and Gladys B. Clarke, his wife, dated January 2, 1941, recorded in Deed Book 366A, page 213.

(As to Lot 19:) IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING CO., INC., a Virginia corporation by deed from American Sheet Metal Corporation, dated March 30, 1962, recorded in Deed Book 899, page 434.

PARCEL TWO LOTS A AND C IN BLOCK 27, OLD DOMINION PLACE

All that certain lot, piece or parcel of land, together with the appurtenances thereunto belonging, lying, situate and being in the City of Norfolk, Virginia, and being known, numbered and designated as Lots A and C, as shown on that certain plat entitled, "RESUBDIVISION OF LOTS 1-6 AND 20-25 BLOCK 27, OLD DOMINION PLACE, NORFOLK, VIRGINIA", which plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, in Map Book 53, at page 48, reference to said plat being made for a more particular description of the said property.

IT BEING a portion of the same property conveyed to ROYAL CROWN BOTTLING COMPANY, INC. by deed from Joel C. McPhaul and Eleanor J. McPhaul, dated May 27, 1970, recorded in Deed Book 1165, page 174.

Tab W:

Internet Safety Plan and Resident Information Form (if internet amenities selected)

Gosnold II Apartments
2425 Gosnold Avenue
Norfolk, VA 23517

RE: Resident Internet Information

Dear Resident,

As a resident of Gosnold II Apartments you will be provided with free individual Wi-Fi access within your unit and free resident only Wi-Fi access in the community room. Please know that the Wi-Fi provided by Gosnold II Apartments may not be protected by the Internet service provider, and there is 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.

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,
Gosnold II Apartments, LLC

Gosnold II Apartments: Internet Acknowledgement Form

I, _____, hereby acknowledge that I have received a copy of the Gosnold II 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

Gosnold II Apartments: Internet Security Plan

In order to provide a secure IT environment for residents and staff, Gosnold II 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 Gosnold II Apartments include:

For both staff and resident networking:

- Internet service provided will be at least 25 Mbps download and 3 Mbps upload;
- Cloud Managed Wireless Access Points to allow for identity-based group security policies, including restricted password access, and network-wide visibility and control; and
- 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.

For staff and common area computers:

- Patch Management automation for operating systems and software applications;
- Endpoint Security to identify and prevent known viruses from infecting systems; and
- DNS Based Secure Internet Gateway for web content analysis, protection, and malware security.

Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

Gosnold II Apartments

MARKETING PLAN FOR UNITS MEETING ACCESSIBILITY REQUIREMENTS

Gosnold II Apartments is a supportive housing apartment community for homeless and low-income individuals from the Tidewater metropolitan area. Fifteen percent (15%) of the units at Gosnold II Apartments will be reserved for individuals with qualifying disabilities as defined by the Fair Housing Act. SupportWorks Housing will ensure that these units are actively marketed to people with qualifying disabilities by working with the following outreach partners:

- Norfolk Community Service Board - Sarah Paige Fuller - (757) 756-5600
- Virginia Beach Department of Human Services - Aileen Smith - (757) 385-3608
- Union Mission - Linda Vaughan - (757) 427-1500
- ENDependence Center - Nichole Davis (757) 461-8007
- United Way of South Hampton Roads - Mark Uren (757) 853-8500

Referrals will be accepted from designated county and 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. SupportWorks Housing (SWH) will inform outreach partners of vacancies as units for individuals with disabilities become available. These designated representatives include but are not limited to the following:

- Homeless Policy and Resource Coordinator for the Virginia Beach Office of Housing and Neighborhood Preservation - Pamela Shine - (757) 385-5761
- Executive Director of the Portsmouth Area Resources Coalition - Annie White-Guertin - (757) 393-7848

Outreach partners and referring organizations will be given Application Guidelines, as well as brochures about Gosnold II Apartments and SupportWorks 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.

Gosnold II 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 60% or less of the Area Median Income that have a qualifying disability and are interested in applying for a unit are directed to call Gosnold II Apartments to set up a time for a rental screening. The rental screening, which is completed in accordance with the Gosnold II 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 SupportWorks 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 Gosnold II 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 Gosnold II 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 SupportWorks Housing.

Procedures for Certifying Income and Eligibility

Determining Resident eligibility and certifying and recertifying Resident income will be done by the Norfolk Redevelopment and Housing Authority (NRHA), and SWH using HUD and LIHTC established procedures. All initial and annual recertification information will be transmitted into Virginia Housing's HDS NextGen system. Verification of a Resident's qualifying disability as defined by the Fair Housing Act will be the responsibility of SWH Property Management and/or Supportive Services Staff following the process outlined in the Tenant Selection Plan.

Measures to Protect Confidentiality

SupportWorks will keep Resident files at a secure location. All files will be kept confidential.

Instruction in Laws

All SWH 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.