



City Council Meeting Agenda

January 20, 2026

City Hall Council Chamber
605 E. Main St.
Charlottesville, VA 22902

Juandiego R. Wade, Mayor
Natalie Oschrin, Vice Mayor
Jen Fleisher
Michael K. Payne
J. Lloyd Snook, III
Kyna Thomas, Clerk

4:00 PM Opening Session

I. Call to Order/Roll Call

II. Agenda Approval

III. Reports

1. Report: Discussion on Student Housing

5:30 PM Closed Meeting (Interviews for Police Civilian Oversight Board)

6:30 PM Business Session

IV. Moment of Silence

V. Announcements

VI. Recognitions/Proclamations

VII. Community Matters

Public comment for up to 16 speakers (limit 3 minutes per speaker). Preregistration available for first 8 spaces at <https://www.charlottesville.gov/692/Request-to-Speak>; speakers announced by Noon on meeting day (9:00 a.m. sign-up deadline). Additional public comment at end of meeting. Comments on Public Hearing items are heard during the public hearing only.

VIII. Consent Agenda*

The consent agenda consists of routine, non-controversial items whereby all items are passed with a single motion and vote. Individuals speaking during Community Matters may address items on the Consent Agenda.

2. Minutes: January 9, 2026 retreat; January 12 special meeting

3. Resolution: Resolution to appropriate Stormwater Local Assistance Grant Fund for the Rivanna Restoration at Riverview Park in the amount of \$607,610.00 (2nd reading)

4. Resolution: Resolution to appropriate funding from the Supreme Court of Virginia Behavioral Health Docket Grant - \$78,150.09 (1 of 2 readings)

5. Resolution: Resolution to appropriate the Virginia Department of Social Services Family Assistance Management (F.A.M.) grant in the amount of \$125,754.06 (1 of 2 readings)

IX. City Manager Report

- Report: City Manager Report

X. Action Items

6. Ordinance: Ordinance Approving Amendments to Previous Ordinance Authorizing a Forgivable Loan to SupportWorks Housing for Vista 29 (1 of 2 readings)

7. Ordinance: Ordinance Authorizing a Forgivable Loan to Piedmont Housing Alliance to Support Redevelopment of 1025 Park Street/MACAA for the Purpose of Producing New Housing for Low- and Moderate-Income Persons (1 of 2 readings)
8. Resolution: Resolution Supporting the Dogwood Veterans Memorial Pedestrian Bridge and Parking Area
9. Resolution: Resolution Appropriating \$700,000 and Initiating an Amendment to the Terms of a Performance Agreement Supporting the 501 Cherry Avenue Mixed-Use Development Project (1 of 2 readings)
10. Resolution: Resolution Appropriating \$390,000 to Support a Rental Arrears Intervention Pilot Program (1 of 2 readings)
11. Resolution: Resolution to appropriate funding from the International City / County Management Association (ICMA) Economic Mobility and Opportunity Special Assistant Grant in the amount of \$354,000 (1 of 2 readings)

XI. General Business

12. Written Report: Rivanna Authorities Quarterly Report

XII. Community Matters (2)

XIII. Adjournment

MEETING GUIDELINES

- This is an in-person meeting with an option for the public to participate electronically by registering in advance for the Zoom webinar at www.charlottesville.gov/zoom. The meeting may also be viewed on the City's streaming platforms and local government Channel 10. Individuals with disabilities who require assistance or special arrangements to participate in the public meeting may call (434) 987-1267 or submit a request via email to ada@charlottesville.gov. The City of Charlottesville requests that you provide 48 hours' notice so that proper arrangements may be made.
- The presiding officer shall ensure that individuals address their comments to City Council at appropriate times, in accordance with the meeting agenda and Council's Rules of Procedure.
- No person who is not a member of the city council shall orally address it until leave to do so has been granted by the city council or until invited to do so by the mayor. (City Code sec.2-71)
- Remarks and actions that disrupt the progress of the Council meeting, and remarks from persons other than councilors, the City Manager, the City Attorney, or a presenter for an Agenda Item are not permitted.
- The presiding officer shall call an individual to order, including a councilor, when that individual goes afoul of these rules. The following are examples of remarks and behavior that are not permitted:
 - i. Interrupting a speaker who is addressing Council at the speaker's microphone, or interrupting a speaker who has otherwise been invited to address Council during Community Matters or a Public Hearing
 - ii. Interrupting a councilor who is speaking
 - iii. Shouting, and talking (either individually or in concert with others) in a manner that prevents a speaker or a Councilor from being heard or that otherwise hinders the progress of the meeting
 - iv. Blocking paths for emergency exit from the meeting room; engaging in any conduct that prevents a member of the audience from seeing or hearing councilors during a meeting; standing on chairs or tables within the Council meeting room
 - v. Threats or incitement of violence toward councilors, City staff or members of the public
 - vi. Engaging in conduct that is a criminal offense under the City Code or the Virginia Code
 - vii. Campaigning for elected office
 - viii. Promotion of private business ventures
 - ix. Using profanity or vulgarity
 - x. Personal attacks against Councilors, City staff or members of the public
 - xi. Behavior which tends to intimidate others
- During a City Council meeting the presiding officer shall have control of the Council Chambers and the connecting halls and corridors within City Hall, and any other venue where a Council meeting is being held. In case of any conduct described above, the presiding officer may take measures deemed appropriate, including but not limited to suspending the meeting until order is restored, ordering areas to be cleared by the Sergeant at Arms, or requiring any individual to exit the meeting room and adjacent premises (connecting halls and corridors.)

Policy Briefing Summary

City Council



Regarding:	Discussion on Student Housing
Staff Contact(s):	Kellie Brown, Director of NDS
Presenter:	Kellie Brown, Director of NDS
Date of Proposed Action:	January 20, 2026

Issue

The Affordable Dwelling Unit Monitoring and Procedures Manual (“ADU Manual”) must be updated on an annual basis. The intent of these annual updates is to ensure that the Affordable Dwelling Unit Requirement and Affordable Dwelling Unit Bonus provisions in the City’s Development Code continue to support the affordable housing goals of the Comprehensive Plan. The manual has not yet been reviewed nor updated since it was adopted in 2024.

The focus of this update process will be to evaluate and potentially refine expectations for in-lieu fee payments if affordable units are not provided on site as part of a development project, for both student housing projects, non-student housing projects, and projects requesting bonus height. The evaluation will also look at the criteria (building features and geography) for which student housing project affordable housing expectations apply.

Staff has developed background information and scope of work for this study including a community engagement process and timeline, and is looking for feedback from City Council on the scope of work to inform the approach.

Background / Rule

The specific tools to realize affordable housing units are found in the Charlottesville Development Code, and are as follows:

1. Affordable Dwelling Unit Requirement: Requiring residential developments, within certain Zoning districts, that exercise the option to build 10 or more residential units to set-aside new Affordable Dwelling Units built to be priced affordably for households at designated Area Median Income (AMI) levels, or to contribute a calculated in-lieu fee to the City’s Affordable Housing fund; and
2. Affordable Dwelling Unit Bonus: Offering incentives to residential developments that includes affordable housing to set-aside new Affordable Dwelling Units built to be priced affordably for households at designated AMI levels, or to contribute a calculated in-lieu fee to the City’s Affordable Housing fund, as supported by a density bonus.

Details of these provisions are included in Section 4.2.2 of the Charlottesville Development Code and is linked [here](#).

The ADU Manual sets forth the guidance, operational procedures, and implementation protocol governing the administration of these provisions. In the event of any inconsistency between this Manual and the Charlottesville Development Code, the Development Code prevails.

The option to pay in-lieu fees, as referenced in Section 4.2.2 of the Charlottesville Development Code, provides applicants with an alternative to on-site construction of affordable dwelling units. An in-lieu fee is a payment equal to the construction costs of complying with the ADU ordinance. Applicants may satisfy the ADU ordinance requirements by paying an in-lieu fee to the Charlottesville Affordable

Housing Fund (CAHF).

Projects that rent by the bedroom within ½ mile of Campus Grounds (i.e. "Student Housing") are not required to provide on-site units, although bonus height may be realized. An in-lieu fee payment is required, equal to the difference between the value of a market rate unit and that of an affordable unit (i.e. value gap), based on bedroom count up to 3 bedrooms.

Analysis

The scope of work for the study focuses on addressing the following key questions, through research and analysis and stakeholder and community engagement.

Research and Analysis

- Do the current in-lieu fee payment structures accurately reflect construction costs (for non-student housing) and the value gap (for student housing)?
- What are the approaches of other Virginia jurisdictions?
- Using the financial model created for the tax abatement study, determine what approach to requirements for in-lieu fee payments provide the best balance of incentivizing production of on-site units without limiting development feasibility?

Goals and Guiding Principles

- What should be the City's goals for in-lieu fee payment policies?
- What should be the City's goals for student housing?
- What should be the relationship between in-lieu fee expectations for student housing and non-student housing?
- Should in-lieu fee payments be greater for bonus height than for non-bonus height?

Financial Impact

There is no financial impact at this time. Future recommendations for adjustments to in-lieu fee expectations could impact City revenues.

Recommendation

Staff recommends that Council provide feedback to staff on the scope of work for this study.

Recommended Motion (if Applicable)

n/a

Attachments

1. Council Work Session Presentation - ADU Manual and Student Housing Study -012025



ADU Manual In Lieu Fee/ Student Housing Study

City Council Presentation

January 20, 2025

Kellie Brown, Director

Neighborhood Development Services Department

Goals and Agenda



- Goals:
 - Get feedback on scope of work to inform study approach and desired outcomes
Staff will return with updates after research and community engagement
- Agenda
 - Background
 - Initial Observations
 - Study Focus and Scope of Work
 - Community Engagement Approach
 - Potential Options
 - Timeline
 - Discussion

Student Housing Background Information



Student Housing History



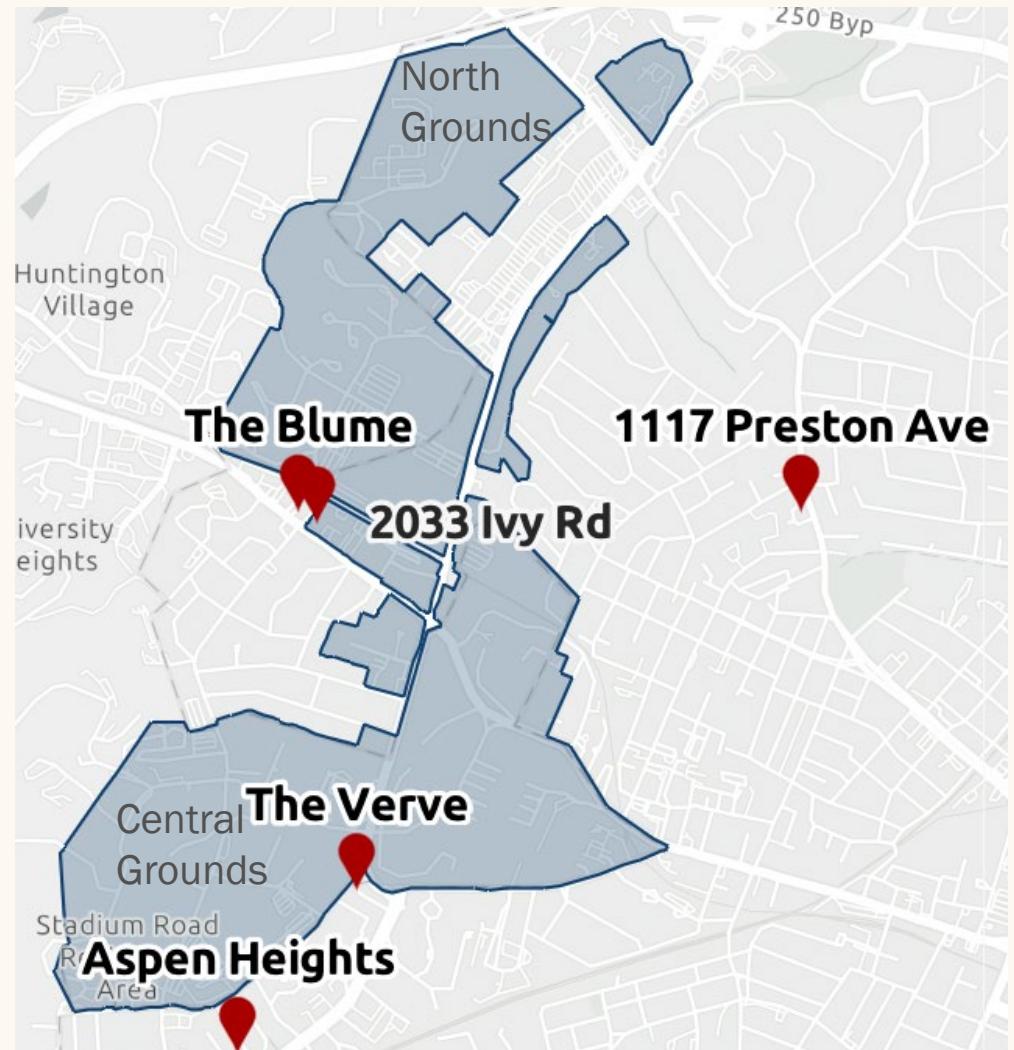
- UVA enrollment growth has steadily increased demand for student housing.
- Historically, students lived:
 - On Grounds (limited capacity)
 - In older apartment complexes near UVA
 - In converted single-family homes in neighborhoods adjacent to the university
- As enrollment grew, private developers increasingly stepped in to build purpose-built student housing.
 - Within walking distance to Grounds
 - 4-bedroom units, rental by bedroom

Neighborhood	Key Student Housing Features
The Corner / University Area	Oldest off-Grounds student district; dense housing near UVA
Venable	Early 20th-century homes converted to rentals; adjacent to Grounds
JPA Corridor	Mix of apartments + subdivided homes; close to hospital & Grounds
West Main	Longstanding transition zone; now major student-housing corridor
Fifeville (edges)	Increasing student-housing pressure near West Main
10 th and Page	Early 20 th -century homes converted to rentals; increasing student housing pressure

Student Housing Supply and Demand

Total Undergraduate and Graduate Enrollment ~
27,000*

- ~ 7,000 beds on Grounds (4,000 for First-Years)
- 2030 Plan aspires to house all first year and second-year students
- 5 projects currently under construction off Grounds, totaling 3,515 beds
 - Verve (442 Units / 1,332 beds)
 - Aspen Heights (119 Units / 390 beds)
 - 1117 Preston Avenue (16 Units / 32 beds)
 - Ivy (Blume) (231 Units / 641 beds)
 - 2033 Ivy Rd (780 beds)
 - Darden Graduate Housing (County) (340 beds)



*Darden Graduate Housing not pictured

Student Housing – National Perspective

- National report note a continued trend toward:
 - Private bedrooms and bathrooms
 - High-end amenities (fitness centers, study lounges, pools)
 - Mixed-use developments near campus
 - Preference for **private space and modern amenities**

[* Inland-Insights-Robust-Student-Housing.pdf](#)



Ivy (Blume), Charlottesville, VA (UVA)



The Verve, Charlottesville, VA (UVA)



Jolly Roger, Greensboro (ECU)
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Development Code Context



Zoning Categories and Overlay Districts

The Current Development Code was Adopted on December 18, 2023 – Designed to facilitate a more form-based zoning ordinance, increasing density in alignment with the 2021 Comprehensive Plan.

Residential Districts:

- R-A, RN-A, R-B, R-C

Mixed Use Districts:

- *Corridor*: NX-3, NX-5, NX-8, NX-10, DX
- *Node*: RX-3, RX-5
- *Residential Mixed Use*: CX-3, CX-5, CX-8

Other Zoning Districts:

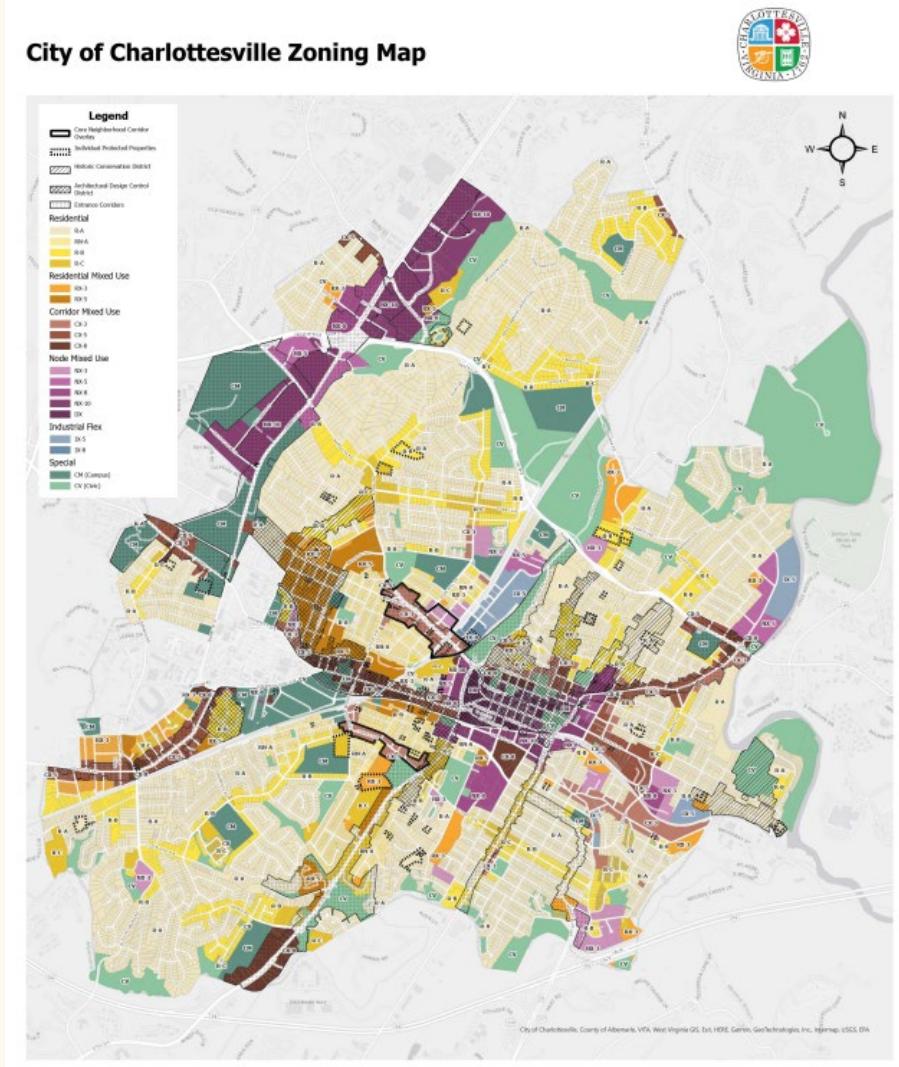
- Industrial Flex: IX-5, IX-8
- Special: CM, CV, Alternate Forms

Overlay Districts (* Design

review required):

- Core Neighborhood Corridors
- Entrance Corridors
- Architectural Design Control Districts *
- Historic Conservation Districts *
- Floodways and Floodplains
- Individually Protected Properties *

City of Charlottesville Zoning Map



Approved December 18, 2023

Affordable Housing and Student Housing Requirements

Residential Development:

- Projects ≥ 10 units provide 10% at $\leq 60\%$ AMI or pay in-lieu fee
- Bonus height for units at $\leq 50\%$ AMI or same fee
 - In-lieu fee = average total cost per unit of developing a residential unit in the Charlottesville market, based on bedroom count up to 3 bedrooms

Non-Student Housing

Figure 1: Construction Cost Per Unit and Average Total Cost Per Unit In-lieu Fee

Number of Bedrooms	Cost Per Rental Unit	Cost Per Ownership Condominium Unit
Studio	\$184,152	\$324,510
1	\$250,797	\$362,120
2	\$368,303	\$413,709
3	\$547,339	\$483,138
Average Total Cost Per Unit In-lieu Fee	\$337,648	\$395,869

Student Housing

- Projects that rent by the bedroom within $\frac{1}{2}$ mile of Campus Grounds
- No on-site affordable units are required
- Bonus height may also be realized
- In-lieu fee is required
 - In-lieu fee = difference between the value of a market rate unit and that of an affordable unit (i.e. value gap), based on bedroom count up to 3 bedrooms

Student Housing

Figure 2: Value Gap Cost Per Unit and Average Total Cost Per Unit In-lieu Fee

Number of Bedrooms	Cost Per Rental Unit	Cost Per Ownership Condominium Unit
Studio	\$41,380	\$269,727
1	\$107,472	\$342,937
2	\$186,038	\$284,653
3	\$261,209	\$403,741
Average Total Cost Per Unit In-lieu Fee	\$149,025	\$325,265

Rationale for Different Student Housing Requirements

- Student housing projects do not typically include non-student housing
 - Unique requirements for student housing projects (rental by bedroom, parental preferences for student living conditions and amenities)
- Value gap method resulted in a lower in-lieu fee requirement
- Lower fee requirement deemed appropriate given the lack of an on-site affordable unit requirement

Non-Student Housing

Figure 1: Construction Cost Per Unit and Average Total Cost Per Unit In-lieu Fee

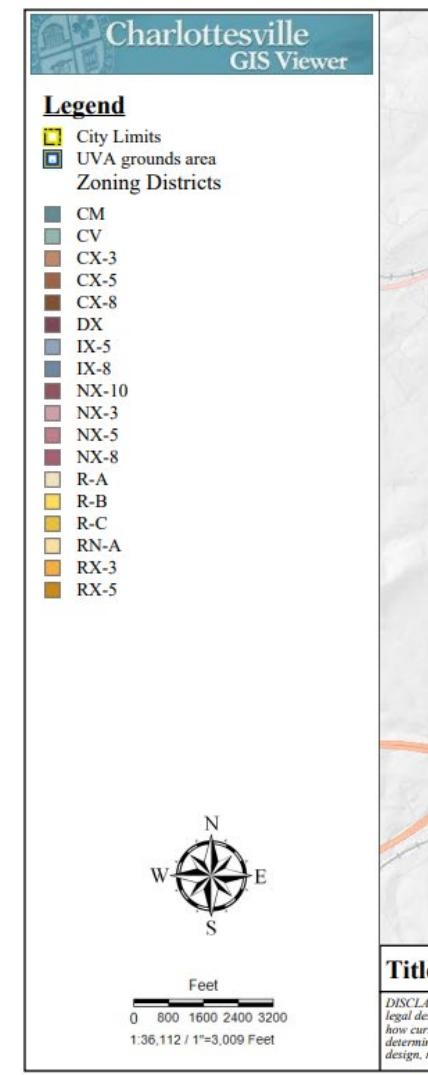
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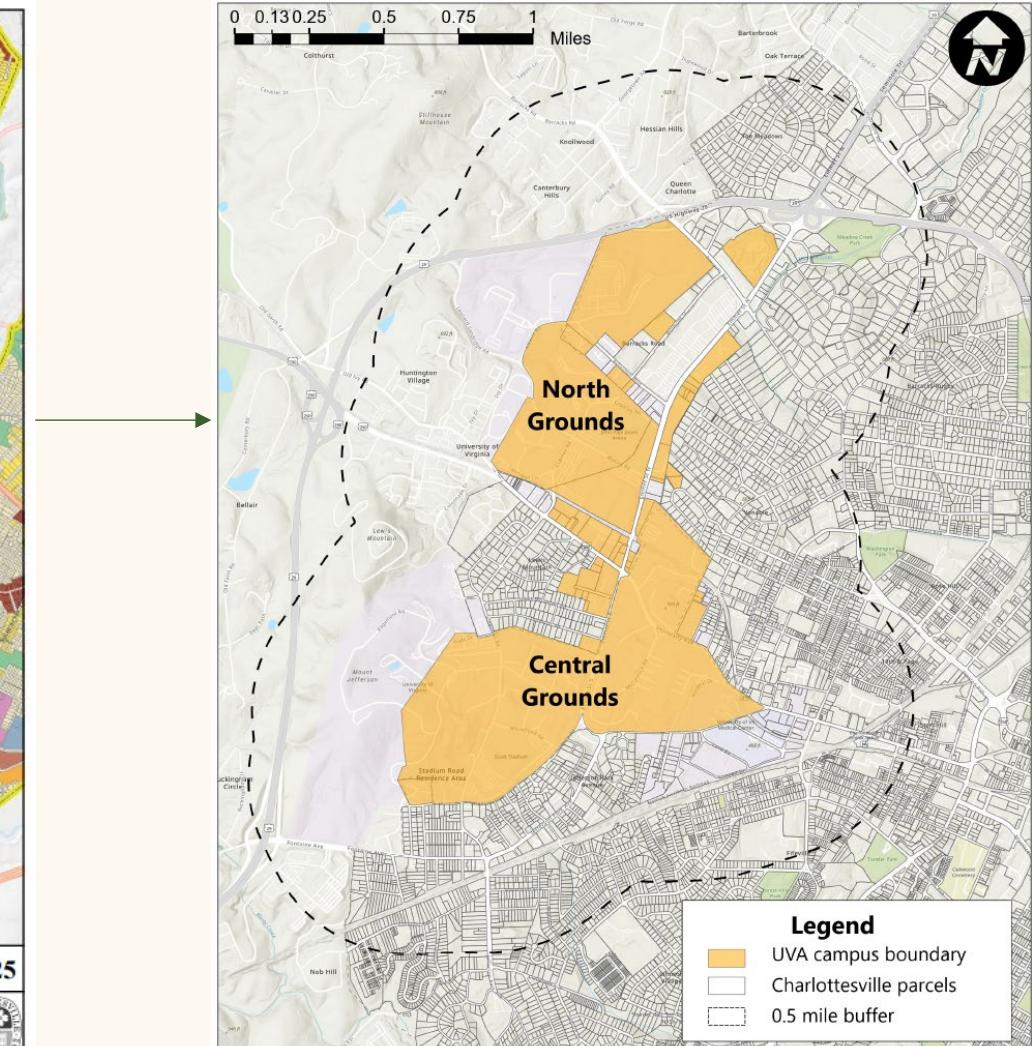
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Locations Where Affordable Housing Expectations for Student Housing Apply



UVA Grounds



Area within 1/2 Mile of Grounds Page 16 of 337

Initial Observations and Concerns

Residential Development (Non-Student Housing):

- Inconsistent in-lieu fee payment structure for bonus height
- Projects opting to pay the in-lieu fee are being charged for bonus height as if the on-site requirement is **60% AMI**, not 50% AMI

Student Housing

- Lack of requirement for on-site units limits new affordable housing where student housing is most financially feasible reinvestment option
- Student housing have lower per-bedroom cost requirement for in-lieu fee, which further incentivizes student housing
- No consideration for conversions to non-student housing
- No consideration for four-bedroom units
- Large geography applies this policy to neighborhoods where displacement is a concern

Non-Student Housing

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Study Focus and Scope of Work





Development Code Amendments: Background

- **Need for Amendments** – Staff is identifying both minor and significant issues requiring revisions to better support City goals.
- **Three-Tier Approach:**
 - **Tier 1** – Minor grammatical corrections, small adjustments, and state requirements.
 - **Tier 2** – Modifications addressing oversights and clarifications to support the Intent sections of the code.
 - **Tier 3** – Policy changes requiring in-depth analysis and community engagement.
- **Next Steps:**
 - **Tier 1 & 2** – Advancing to Public Hearing with Planning Commission January 13, 2026, then a Public Hearing with City Council later in the winter of 2026.
 - **Tier 3** – Considered in the broader FY26 NDS workplan and beyond.
- **Ongoing Process** – Annual updates for Tier 1 & 2 to ensure adaptability, best practices, and sustainable growth.



Tier 3 Amendments

- **Purpose** – Focuses on policy changes and confirmations requiring in-depth analysis and broader community engagement.
- **Scope** – Significant amendments that impact long-term planning and require careful evaluation of goals and implications.
- **Community Input** – Extensive outreach to gather feedback and ensure alignment with public priorities.
- **Process** – Will be prioritized within the broader future NDS workplans, given the complexity and resources required.
- **Future Considerations** – Helps shape long-term regulatory strategies to maintain an adaptable and effective Development Code.



Purpose of the Study

- Annual review and update of the Affordable Dwelling Unit (ADU) Monitoring and Procedures Manual
- Focus on refining expectations for:
 - In-lieu fee payments
 - Bonus height projects
 - Student housing



Scope of Work / Key Study Questions

Research and Analysis

- Do the current in-lieu fee payment structures accurately reflect construction costs (for non-student housing) and the value gap (for student housing)?
- What are the approaches of other Virginia jurisdictions?
- Using the financial model created for the tax abatement study, determine what approach to requirements for in-lieu fee payments provide the best balance of incentivizing production of on-site units without limiting development feasibility?

Goals and Guiding Principles

- What should be the City's goals for in-lieu fee payment policies?
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- What should be the relationship between in-lieu fee expectations for student housing and non-student housing?
- Should in-lieu fee payments be greater for bonus height than for non-bonus height?

Community Engagement Approach





Key Stakeholders and Engagement Strategies

Key Stakeholders

- Housing Advisory Commission
- Planning Commission
- Property Owners
- UVA
- Albemarle County
- Thomas Jefferson Planning District Commission
- Advocacy Organizations

Engagement Strategies

- Commission Presentations
- Connect Charlottesville digital outreach and engagement opportunities
- Focus Groups
- Pop Up Visits



Key Questions for Stakeholder Engagement

- What do you believe is the most important outcome this policy should accomplish for our community?
- What impacts or unintended consequences should we work (hardest) to prevent?

Potential Options





One Set of Potential Options to Explore

Residential Development (Non-Student Housing):

- Study the creation of an in-lieu fee payment structure that increases requirement for bonus height to reflect that the on-site requirement for bonus height is **50% AMI**, not 60% AMI

Student Housing

- Consider requiring on-site units for student housing, or allow an in-lieu fee equivalent to requirement for non-student housing
 - Addresses potential conversions to non-student housing
 - Allows for on-site affordable units when financial and market conditions are favorable
- Add in-lieu fee requirement for four-bedroom units
- Consider geographic criteria – consider if needed given potential merit of equivalency with expectations for non-student housing
 - Removes unintended incentive to build student housing

All Housing Projects (10+ units)

- Consider potential for tax abatement strategies to offset costs associated with affordable housing production and facilitate investment, to be further explored

Study Timeline



Timeline

December 2025 – January 2026: Consultant Evaluation of Key Study Questions

- Do the current in-lieu fee payment structures accurately reflect construction costs and the value gap?
- What are the approaches of other Virginia jurisdictions?
- What approach to requirements for in-lieu fee payments best incentivize production of on-site units without limiting development feasibility?

January 2026 – February 2026: Stakeholder Engagement

- What are the most important things for the policy to achieve?
- What impacts do we want to avoid?

March– May 2026: Develop Proposals and Commission and Council Review

- Guiding Principles
- Policy Recommendations*
- Manual and Development Code Amendments

*Development of recommendations will be coordinated with presentation of key findings and recommendations from tax abatement study

Thank You





**CHARLOTTESVILLE CITY COUNCIL
SPECIAL MEETING/RETREAT MINUTES**
January 9, 2026
Hillsdale Conference Center
550 Hillsdale Drive, Charlottesville, VA 22901

The January 9, 2026, Charlottesville City Council retreat was called to order at 9:04 a.m. by Mayor Juandiego Wade. Clerk of Council Kyna Thomas acknowledged that all five Council Members were present: Mayor Juandiego Wade, Vice Mayor Natalie Oschrin, and Councilors Jen Fleisher, Michael Payne and Lloyd Snook.

City Manager Samuel Sanders, Jr., made opening remarks and Steve King, Assistant to the City Manager, led Council in an icebreaker activity called “Five Things”.

Mr. Sanders acknowledged city staff in the room, and introduced Joshua René with The Spill Teem, who spent some time describing the purpose of the retreat, then took Council through a workshop on direction setting and decision making using the City’s Strategic Plan Framework developed in 2023.

During lunch, Vieen Leung, Director with PFM, the city’s financial consultants, provided an update on the City’s financial health. She stated that economic growth is slowing down across Virginia local governments and is projected to continue slowing down throughout 2026, impacting the city’s tax base.

City Attorney John Maddux led a session on Governance, including Council Rules and Procedures and the mandatory training on the Virginia Freedom of Information Act (FOIA). He also reminded Council of the requirement for them to complete Virginia Conflict of Interests Act (COIA) training online biennially. The presentation began with an overview of City Attorney Office operations and staff assignments, then Council discussed possible updates to its Rules and Procedures. Mr. Maddux stated that he would bring back the revised document for approval during a City Council meeting, along with other action items as discussed.

Regarding City Code updates, Mr. Maddux asked Council to consider changes to settlement authority for the city manager and city attorney, among other updates. These items will come before City Council for action at a future regular meeting.

Mr. Sanders made closing remarks.

On motion by Snook, seconded by Oschrin, Council by acclamation adjourned the meeting at 3:42 p.m.

BY Order of City Council

BY Kyna Thomas, Clerk of Council



CHARLOTTESVILLE CITY COUNCIL SPECIAL MEETING MINUTES

Interviews for Planning Commission
January 12, 2026 at 5:00 PM
Council Chamber

The Charlottesville City Council met in a special meeting on Monday, January 12, 2026, to conduct interviews for filling vacancies on the Charlottesville Planning Commission. Mayor Juandiego Wade called the meeting to order, and Clerk of Council Kyna Thomas called the role, noting all councilors present: Mayor Juandiego Wade, Vice Mayor Natalie Oschrin, and Council Members Jen Fleisher, Michael Payne and Lloyd Snook.

On motion by Oschrin, seconded by Snook, Council voted unanimously to go into closed session, as authorized by the Virginia Freedom of Information Act, and pursuant to Virginia Code Section 2.2-3711(A)(1) for discussion and consideration of prospective candidates to be appointed to the Charlottesville Planning Commission.

On motion by Oschrin, seconded by Snook, Council by a vote of 5-0 (Ayes: Fleisher, Oschrin, Payne, Snook, Wade; Noes: none) certified that to the best of each Council member's knowledge, only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act and identified in the Motion convening the closed session were heard, discussed, or considered in the closed session.

On motion by Oschrin, seconded by Fleisher, Council by a vote of 5-0 appointed the following members to the Planning Commission: Joshua Carp and Ross Harness.

Mayor Wade thanked all applicants and he thanked Phil D'Oronzio, who recently resigned, for his long-time service on the Planning Commission and other boards, and for his commitment to serving the community.

On motion by Snook, seconded by Oschrin, Council by acclamation adjourned the meeting at 6:51 p.m.

BY Order of City Council

BY Kyna Thomas, Clerk of Council

Policy Briefing Summary

City Council



Regarding:	Resolution to appropriate Stormwater Local Assistance Grant Fund for the Rivanna Restoration at Riverview Park in the amount of \$607,610.00 (2nd reading)
Staff Contact(s):	Taylor Harvey-Ryan, Grants Program Manager
Presenter:	Dan Frisbee, Water Resource Specialist
Date of Proposed Action:	January 20, 2026

Issue

Appropriate grant funds from the Virginia Department of Environmental Quality (DEQ) and execute the grant agreement to support the Rivanna Restoration at Riverview Park.

Background / Rule

The Department of Public Utilities was notified of a grant award from the Virginia Department of Environmental Quality to support the Rivanna Restoration at Riverview Park.

Analysis

The City of Charlottesville was awarded \$607,610.00 from the Virginia Department of Environmental Quality to support the Rivanna Restoration at Riverview Park. This project aims to restore an 880-foot section of the Rivanna riverbank around the existing public access stairs and a 200-foot section of a dangerously eroding stormwater outfall channel nearby. Using appropriate natural stream restoration approaches, the project will:

- Protect the land, tree, and trails from erosion
- Reduce water pollution
- Improve opportunities for boating, wading, and observing wildlife
- Enhance habitat for birds, fish, and other wildlife
- Protect public safety and existing infrastructure.

The primary design goal for the main stem of the Rivanna is to halt excessive streambank erosion, a major source of water quality impairment. The primary design goal for the outfall is to reverse the impacts of stream bed and bank degradation and prevent further erosion while treating stormwater runoff before it enters the Rivanna.

Financial Impact

There is no financial impact to the City.

Recommendation

Staff recommends the appropriation of the grant funds in the amount of \$607,610 from the Virginia Department of Environmental Quality to support the Rivanna Restoration at Riverview Park.

Staff recommends the City Manager execute the grant agreement between DEQ and the City of Charlottesville to support the Rivanna Restoration at Riverview Park project.

Recommended Motion (if Applicable)

I move to approve the resolution appropriating \$607,610 to support the Rivanna Restoration at Riverview Park project and to authorize the City Manager to execute the grant agreement between the Virginia Department of Environmental Quality and the City of Charlottesville and any subsequent amendment for the Rivanna Restoration at Riverview Park.

Attachments

1. S.L.A.F. Resolution Rivanna Restoration at Riverview Park
2. SLAF #25-14 Grant Agreement_DEQ

RESOLUTION

Appropriating Funding in the Amount of \$607,610 To Be Received from the Virginia Department of Environmental Quality's Stormwater Local Assistance Fund

WHEREAS, The City of Charlottesville has been notified that it will be awarded a grant from the Stormwater Local Assistance Fund (S.L.A.F.) grant program from the Virginia Department of Environmental Quality in the amount of \$607,610.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that upon receipt of the S.L.A.F. funding the Commonwealth of Virginia, said funding, anticipated in the sum of \$607,610, is hereby appropriated in the following manner:

Revenues

\$607,610	Fund 209	Order: 1900620	G/L 430110
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Expenditures

\$607,610	Fund 209	Order 1900620	G/L 599999
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BE IT FUTHER RESOLVED that this appropriation is conditioned upon receipt of \$607,610 in funds from the Commonwealth of Virginia.

**STORMWATER LOCAL ASSISTANCE FUND
GRANT AGREEMENT
SLAF Grant No.: 25-14**

THIS AGREEMENT is made as of this _____ day of _____, 2025 by and between the Virginia Department of Environmental Quality (the “Department”), and the City of Charlottesville, Virginia (the “Grantee”).

Pursuant to Item 360 in Chapter 860 of the 2013 Acts of Assembly (the Commonwealth’s 2013-14 Budget) (the “Act”), the General Assembly created the Stormwater Local Assistance Fund (the “Fund”). The Department is authorized, pursuant to Item 365 C in Chapter 2 of the 2024 Acts of Assembly, Special Session I, to provide matching grants to local governments for the planning, design, and implementation of stormwater best management practices that address cost efficiency and commitments related to reducing water quality pollutant loads.

The Grantee has been approved by the Department to receive a Grant from the Fund subject to the terms and conditions herein to finance fifty percent (50%) of the cost of the Eligible Project, which consists of the planning, design and implementation of best management practices for stormwater control as described herein. The Grantee will use the Grant to finance that portion of the Eligible Project Costs not being paid for from other sources as set forth in the Total Project Budget in Exhibit B to this Agreement. Such other sources may include, but are not limited to, the Virginia Water Facilities Revolving Fund, Chapter 22, Title 62.1 of the Code of Virginia (1950), as amended.

This Agreement provides for payment of the Grant, design and construction of the Eligible Project, and development and implementation by the Grantee of provisions for the long-term responsibility and maintenance of the stormwater management facilities and other techniques installed under the Eligible Project. This Agreement is supplemental to the State Water Control Law, Chapter 3.1, Title 62.1 of the Code of Virginia (1950), as amended, and it does not limit in any way the other water quality restoration, protection and enhancement, or enforcement authority of the State Water Control Board (the “Board”) or the Department.

**ARTICLE I
DEFINITIONS**

1. The capitalized terms contained in this Agreement shall have the meanings set forth below unless the context requires otherwise:

(a) “Agreement” means this Stormwater Local Assistance Fund Grant Agreement between the Department and the Grantee, together with any amendments or supplements hereto.

(b) “Authorized Representative” means any member, official or employee of the Grantee authorized by resolution, ordinance or other official act of the governing body of the Grantee to perform the act or sign the document in question.

(c) “Capital Expenditure” means any cost of a type that is properly chargeable to a capital account (or would be so chargeable with (or but for) a proper election or the application of the definition of “placed in service” under Treasury Regulation Section 1.150-2(c)) under general federal income tax principles, determined at the time the expenditure is paid.

(d) “Eligible Project” means all grant eligible items of the particular stormwater project described in Exhibit A to this Agreement to be designed and constructed by the Grantee with,

among other monies, the Grant, with such changes thereto as may be approved in writing by the Department and the Grantee.

(e) “Eligible Project Costs” means costs of the individual items comprising the Eligible Project as permitted by the Act with such changes thereto as may be approved in writing by the Department and the Grantee. All Eligible Project Costs shall be Capital Expenditures and no Eligible Project Costs shall be Working Capital Expenditures.

(f) “Extraordinary Conditions” means unforeseeable or exceptional conditions resulting from causes beyond the reasonable control of the Grantee such as, but not limited to fires, floods, strikes, acts of God, and acts of third parties that singly or in combination cause material breach of this Agreement.

(g) “Grant” means the particular grant described in Section 4.0 of this Agreement, with such changes thereto as may be approved in writing by the Department and the Grantee.

(h) “Total Eligible Project Budget” means the sum of the Eligible Project Costs as set forth in Exhibit B to this Agreement, with such changes thereto as may be approved in writing by the Department and the Grantee.

(i) “Total Project Budget” means the sum of the Eligible Project Costs (with such changes thereto as may be approved in writing by the Department and the Grantee) plus any ineligible costs that are solely the responsibility of the Grantee, as set forth in Exhibit B to this Agreement.

(j) “Project Engineer” means the Grantee’s engineer who must be a licensed professional engineer registered to do business in Virginia and designated by the Grantee as the Grantee’s engineer for the Eligible Project in a written notice to the Department.

(k) “Project Schedule” means the schedule for the Eligible Project as set forth in Exhibit C to this Agreement, with such changes thereto as may be approved in writing by the Department and the Grantee. The Project Schedule assumes timely approval of adequate plans and specifications and timely reimbursement in accordance with this Agreement by the Department.

(l) “Working Capital Expenditure” means any cost that is not a Capital Expenditure. Generally, current operating expenses are Working Capital Expenditures.

(m) “VPBA” means the Virginia Public Building Authority, a political subdivision of the Commonwealth of Virginia.

(n) “VPBA Bonds” means (i) the Virginia Public Building Authority Public Facilities Revenue Bonds, Series 2013A, which were issued by VPBA on February 21, 2013, (ii) any other bonds issued by VPBA, the proceeds of which are used in whole or in part to provide funds for the making of the Grant, and (iii) any refunding bonds related thereto.

ARTICLE II **SCOPE OF PROJECT**

2. The Grantee will cause the Eligible Project to be designed, constructed and placed in operation as described in Exhibit A to this Agreement.

ARTICLE III

SCHEDULE

3. The Grantee will cause the Eligible Project to be designed, constructed and placed in operation in accordance with the Project Schedule in Exhibit C to this Agreement. The Grantee agrees that the Grant may only be used to cover costs incurred and expended during the period beginning **May 1, 2024** and ending **April 30, 2026**.

ARTICLE IV COMPENSATION

4.0. Grant Amount. The total Grant award from the Fund under this Agreement is up to **\$607,610.00** and represents the Commonwealth's fifty percent (50%) share of the Total Eligible Project Budget. Any material changes made to the Eligible Project after execution of this Agreement, which alters the Total Eligible Project Budget, will be submitted to the Department for review of grant eligibility. The amount of the Grant award set forth herein may be modified from time to time by agreement of the parties to reflect changes to the Eligible Project or the Total Eligible Project Budget.

4.1 Project Budget Changes. Project Budget changes that exceed the lesser of \$100,000 or 10% of the Project Budget total must be approved in advance in writing by the Department through a formal Agreement modification issued in accordance with Section 7.3. The Grantee must notify the Department in advance via email of any Project Budget changes that do not exceed this threshold. This threshold is cumulative of all Project Budget changes made over time. Any Project Budget changes must be otherwise in accordance with this Agreement. The Department is under no obligation to reimburse any expenses that do not satisfy this provision.

4.2. Payment of Grant. Disbursement for professional services (planning and design) can commence upon execution of the Grant, with reimbursement available for expenses up to twenty-five (25%) of physical construction costs. Disbursement for the remaining reimbursable costs can commence once the final project budget, based on as-bid or contractual costs, is approved and a grant modification is executed. The Department will notify the Grantee when the eligibility to submit reimbursement requests has been approved. Disbursement of the Grant will be conducted in accordance with the payment provisions set forth in Section 4.2 herein and the eligibility determinations made in the Total Project Budget (Exhibit B).

4.3. Disbursement of Grant Funds. Disbursement requests shall be submitted no less than once every forty-five (45) calendar days while the project is incurring eligible expenses specific to the grant referenced herein. Any alternative schedule request must be received in writing and approved by the Department prior to the disbursement request receipt deadline. The Department will disburse the Grant to the Grantee no more frequently than once per calendar month for approved eligible reimbursements, with a minimum reimbursement amount of ten thousand (\$10,000.00) dollars (excluding initial professional services payments and the final payment), upon receipt by the Department of the following:

(a) A requisition for approval by the Department, signed by the Authorized Representative and containing all receipts, vouchers, statements, invoices or other evidence that costs in the Total Eligible Project Budget, including the applicable local share for the portion of the Eligible Project covered by such requisition, have been incurred or expended and all other information called for by, and otherwise being in the form of, Exhibit D to this Agreement.

(b) If any requisition includes an item for payment for labor or to contractors, builders or material men, a certificate, signed by the Project Engineer, stating that such work was actually

performed or such materials, supplies or equipment were actually furnished or installed in or about the construction of the Eligible Project.

Upon receipt of each such requisition and accompanying certificate(s) and schedule(s), the Department shall request disbursement of the Grant to the Grantee in accordance with such requisition to the extent approved by the Department.

Except as may otherwise be approved by the Department, disbursements shall be held at ninety-five percent (95%) of the total Grant amount to ensure satisfactory completion of the Eligible Project. Satisfactory completion includes the submittal to the Department the Responsibilities & Maintenance Plan required by Section 5.1 herein. Upon receipt from the Grantee of the certificate specified in Section 4.5 and a final requisition detailing all retainage to which the Grantee is then entitled, the Department, subject to the provisions of this section and Section 4.3 herein, shall request disbursement to the Grantee of the final payment from the Grant.

4.4. Application of Grant Funds. The Grantee agrees to apply the Grant solely and exclusively to the reimbursement of Eligible Project Costs. The Grantee represents and warrants that the average reasonably expected economic life of the assets to be financed with the Grant is set forth in Exhibit E attached hereto.

4.5. Agreement to Complete Project. The Grantee agrees to cause the Eligible Project to be designed and constructed, as described in Exhibit A to this Agreement, and in accordance with (i) the schedule in Exhibit C to this Agreement and (ii) plans and specifications prepared by the Project Engineer and approved by the Department.

4.6. Notice of Substantial Completion. When the Eligible Project has been completed, the Grantee shall promptly deliver to the Department a certificate signed by the Authorized Representative and by the Project Engineer stating (i) that the Eligible Project has been completed substantially in accordance with the approved plans and specifications and addenda thereto, and in substantial compliance with all material applicable laws, ordinances, rules, and regulations; (ii) the date of such completion; (iii) that all certificates of occupancy and operation necessary for start-up for the Eligible Project have been issued or obtained; and (iv) the amount, if any, to be released for payment of the final Eligible Project Costs.

4.7. Source of Grant Funds; Reliance. The Grantee represents that it understands that the Grant funds are derived from the proceeds of the VPBA Bonds, the interest on which must remain excludible from gross income for federal income tax purposes (that is, "tax- exempt") pursuant to contractual covenants made by VPBA for the benefit of the owners of the VPBA Bonds. The Grantee further represents that (a) the undersigned Authorized Representative of the Grantee has been informed of the purpose and scope of Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended, as they relate to the VPBA Bonds and the Grant, and (b) the representations and warranties contained in this Agreement can be relied on by VPBA and bond counsel to VPBA in executing certain documents and rendering certain opinions in connection with the VPBA Bonds.

ARTICLE V RESPONSIBILITIES AND MAINTENANCE PLAN

5.0 Plan Submittal. No later than thirty (30) days from the date of the Notice of Substantial Completion, the Grantee shall submit to the Department a Responsibilities and Maintenance Plan for the Eligible Project.

5.1 Plan Elements. The plan required by Section 5.0 shall include a description of the project type, a recommended schedule of inspection and maintenance, and the identification of a person, persons or position within an organization responsible for administering and maintaining the plan for the useful service life of the installed facilities. If the Eligible Project includes construction on private property, the plan shall document the Grantee's right to access the Eligible Project for purposes of implementing the plan required by Section 5.0.

5.2 Recordation. Long-term responsibility and maintenance requirements for stormwater management facilities located on private property shall be set forth in an instrument recorded in the local land records and shall be consistent with 9VAC25-875-130 of the Virginia Erosion and Stormwater Management Regulation.

5.3 Project Verification Process. Upon completion of the Project's third full year of operation, the Department shall complete a Verification Inspection of the project to document any deficiencies warranting repair. If the Verification Inspection indicates deficiencies warranting repair exist, the Department will provide notice of such deficiencies to the Grantee.

(a) The Grantee may elect to either correct the deficiencies and provide the Department evidence of the correction or repay the entirety of the Grant funds.

(b) If the Grantee elects to correct the deficiencies, the deficiency repair shall commence no later than 30 days after the notice of deficiency by the Department and shall be completed within 120 days of the notice of deficiency, or in compliance with a plan and schedule approved by the Department.

(c) Upon completion of the deficiency repair, the Department shall complete a Final Inspection of the deficiency repair. The Department may elect to conduct a Verification Inspection three year(s) following completion of the deficiency repair. If the Verification Inspection indicates deficiencies warranting repair exist, the Department will provide notice of such deficiencies to the Grantee, and the Grantee and the Department will proceed through actions pursuant to Section 5.3(a) through 5.3(c) until completion of the Project is approved by the Department.

(d) Noncompliance with the deadlines described in Section 5.3(b) may result in a material breach as described in Section 6.0.

ARTICLE VI **MATERIAL BREACH**

6.0. Material Breach. Any failure or omission by the Grantee to perform its obligations under this Agreement, unless excused by the Department, is a material breach.

6.1. Notice of Material Breach. If at any time the Grantee determines that it is unable to perform its obligations under this Agreement, the Grantee shall promptly provide written notification to the Department. This notification shall include a statement of the reasons it is unable to perform, any actions to be taken to secure future performance and an estimate of the time necessary to do so.

6.2. Monetary Assessments for Breach. In no event shall total Monetary Assessments for Breach pursuant to this Agreement exceed the grant amount. In case of Material Breach, Grant funds will be re-paid into the State Treasury and credited to the Fund. Within 90 days of receipt of written demand from the Department, the Grantee shall re-pay the Grant funds for the corresponding material breaches of this Agreement unless the Grantee asserts a defense pursuant to the requirements of Section 6.3 herein.

(a) Noncompliance with deadlines established pursuant to Section 5.3 shall result in a monetary assessment of \$500 per day for the first 10 days of noncompliance, and \$1,000 for each day of noncompliance thereafter.

6.3 Extraordinary Conditions. The Grantee may assert, and it shall be a defense to any action by the Department to collect Grant funds or otherwise secure performance of this Agreement that the alleged non-performance was due to Extraordinary Conditions, provided that the Grantee:

(a) takes reasonable measures to effect a cure or to minimize any non-performance with the Agreement, and

(b) provides written notification to the Department of the occurrence of Extraordinary Conditions, together with an explanation of the events or circumstances contributing to such Extraordinary Conditions, no later than 10 days after the discovery of the Extraordinary Conditions.

If the Department disagrees that the events or circumstances described by the Grantee constitute Extraordinary Conditions, the Department must provide the Grantee with a written objection within sixty (60) days of Grantee's notice under paragraph 6.3(b), together with an explanation of the basis for its objection.

6.4 Resolution and Remedy. If no resolution is reached by the parties, the Department may immediately bring an action in the Circuit Court of the City of Richmond to recover part or all of the Grant funds. In any such action, the Grantee shall have the burden of proving that the alleged noncompliance was due to Extraordinary Conditions. The Grantee agrees to venue to any such action in the Circuit Court of the City of Richmond, either north or south of the James River in the option of the Department.

6.5 Indemnification. To the extent permitted by law and subject to legally available funds, the Grantee shall indemnify and hold the Department, the Fund, VPBA and the owners of the VPBA Bonds, and their respective members, directors, officers, employees, attorneys and agents (the "Indemnitees"), harmless against any and all liability, losses, damages, costs, expenses, penalties, taxes, causes of action, suits, claims, demands and judgments of any nature arising from or in connection with any misrepresentation, breach of warranty, noncompliance or default by or on behalf of the Grantee under this Agreement, including, without limitation, all claims or liability (including all claims of and liability to the Internal Revenue Service) resulting from, arising out of or in connection with the loss of the excludability from gross income of the interest on all or any portion of the VPBA Bonds that may be occasioned by any cause whatsoever pertaining to such misrepresentation, breach, noncompliance or default, such indemnification to include the reasonable costs and expenses of defending itself or investigating any claim of liability and other reasonable expenses and attorneys' fees incurred by any of the Indemnitees in connection therewith. This paragraph shall not constitute an express or implied waiver of any applicable immunity afforded the Grantee.

ARTICLE VII **GENERAL PROVISIONS**

7.0. Effect of the Agreement on Permits. This Agreement shall not be deemed to relieve the Grantee of its obligations to comply with the terms of its Virginia Pollutant Discharge Elimination System (VPDES) and/or Virginia Water Protection (VWP) permit(s) issued by the Board. This Agreement does not obviate the need to obtain, where required, any other State or Federal permit(s).

7.1. Disclaimer. Nothing in this Agreement shall be construed as authority for either party to make commitments which will bind the other party beyond the covenants contained herein.

7.2. Non-Waiver. No waiver by the Department of any one or more defaults by the Grantee in the performance of any provision of this Agreement shall operate or be construed as a waiver of any future default or defaults of whatever character.

7.3. Integration and Modification. This Agreement constitutes the entire Agreement between the Grantee and the Department. No alteration, amendment or modification of the provisions of this Agreement shall be effective unless reduced to writing, signed by both the parties and attached hereto. This Agreement may be modified by agreement of the parties for any purpose.

7.4. Collateral Agreements. Where there exists any inconsistency between this Agreement and other provisions of collateral contractual agreements which are made a part of this Agreement by reference, the provisions of this Agreement shall control.

7.5. Non-Discrimination. In the performance of this Agreement, the Grantee warrants that it will not discriminate against any employee, or other person, on account of race, color, sex, religious creed, ancestry, age, national origin or other non-job related factors. The Grantee agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

7.6. Conflict of Interest. The Grantee warrants that it has fully complied with the Virginia Conflict of Interest Act as it may apply to this Agreement.

7.7. Applicable Laws. This Agreement shall be governed in all respects whether as to validity, construction, capacity, performance or otherwise, by the laws of the Commonwealth of Virginia. The Grantee further agrees to comply with all laws and regulations applicable to the Grantee's performance of its obligations pursuant to this Agreement.

7.8. Records Availability. The Grantee agrees to maintain complete and accurate books and records of the Eligible Project Costs, and further, to retain all books, records, and other documents relative to this Agreement for three (3) years after the final Verification Inspection. The Department, its authorized agents, and/or State auditors will have full access to and the right to examine any of said materials during said period. Additionally, the Department and/or its representatives will have the right to access work sites during normal business hours, after reasonable notice to the Grantee, for the purpose of ensuring that the provisions of this Agreement are properly carried out.

7.9. Severability. Each paragraph and provision of this Agreement is severable from the entire Agreement; and if any provision is declared invalid, the remaining provisions shall nevertheless remain in effect.

7.10. Notices. All notices given hereunder shall be in writing and shall be sent by United States certified mail, return receipt requested, postage prepaid, and shall be deemed to have been received at the earliest of: (a) the date of actual receipt of such notice by the addressee, (b) the date of the actual delivery of the notice to the address of the addressee set forth below, or (c) five (5) days after the sender deposits it in the mail properly addressed. All notices required or permitted to be served upon either party hereunder shall be directed to:

Department: Virginia Department of Environmental Quality
Clean Water Financing and Assistance Program
P.O. Box 1105
Richmond, VA 23218
Attn: CWFAP Deputy Director

Grantee: City of Charlottesville
PO Box 911
Charlottesville, Virginia 22902
Attn: Dan Frisbee, Water Resource Specialist
Frisbee@charlottesville.gov

7.11. Successors and Assigns Bound. This Agreement shall extend to and be binding upon the parties hereto, and their respective legal representatives, successors and assigns.

7.12. Exhibits. All exhibits to this Agreement are incorporated herein by reference.

ARTICLE VIII **COUNTERPARTS**

8. This Agreement 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.

ARTICLE IX **CREDIT GENERATION**

9. Any land area generating stream or wetland mitigation credits from the Eligible Project is not eligible for the generation of any other environmental credits, including credits associated with nonpoint source nutrient banks, either upon completion of the project or anytime thereafter. Any project designs approved by the Department under the Grant may not meet the design requirements for approval from other State or Federal water programs. The Grantee is responsible for obtaining information on design and permit requirements for the type of environmental credit they are seeking.

WITNESS the following signatures, all duly authorized.

DEPARTMENT OF ENVIRONMENTAL QUALITY

Edwards Alvie
xqp92569
By: _____ Date: _____

Digitally signed by: Edwards Alvie
xqp92569
DN: CN = Edwards Alvie xqp92569
OU = COV-Users, End-Users, DEQ
Date: 2025.05.27 13:49:14 -04'00'

Alvie Edwards
Director of Administration
(804) 898-9883
alvie.edwards@deq.virginia.gov

CITY OF CHARLOTTESVILLE, VIRGINIA

By: _____ Date: _____

Samuel Sanders Jr.
City Manager
(434) 970-3106
sanderss@charlottesville.gov

EXHIBIT A

ELIGIBLE PROJECT DESCRIPTION

Grantee: City of Charlottesville, Virginia

SLAF Grant No.: 25-14

Rivanna Restoration at Riverview Park: The project aims to restore an 880-foot section of the Rivanna's riverbank around the existing public access stairs and a 200-foot section of a dangerously eroding stormwater outfall channel nearby. Using appropriate natural stream restoration approaches, the project will: Protect the land, trees, and trails from erosion, Reduce water pollution, improve opportunities for boating, wading, and observing wildlife, enhance habitat for birds, fish, and other wildlife, protect public safety and existing infrastructure. The primary design goal for the main stem of the Rivanna is to halt excessive streambank erosion, a major source of water quality impairment. The primary design goal for the outfall is to reverse the impacts of stream bed and bank degradation and prevent further erosion while treating stormwater runoff before it enters the Rivanna.

City of Charlottesville, Virginia (SLAF #25-14)

EXHIBIT B

TOTAL PROJECT BUDGET

Grantee: City of Charlottesville, Virginia

SLAF Grant No.: 25-14

The following budget reflects the estimated costs associated with eligible cost categories of the project.

Project Category / Project Name	Project Cost	SLAF Eligible	Grant %	Grant Amount
Design Engineering				
Rivanna Restoration at Riverview Park	\$148,490.00	\$0.00	50.00%	\$0.00
Sub-Total	\$148,490.00	\$0.00		\$0.00
Construction				
Rivanna Restoration at Riverview Park	\$1,112,709.00	\$1,112,709.00	50.00%	\$556,354.50
Sub-Total	\$1,112,709.00	\$1,112,709.00		\$556,354.50
Other				
Rivanna Restoration at Riverview Park				
Project Inspection Fees	\$54,300.00	\$54,300.00	50.00%	\$27,150.00
Construction Contingencies	\$48,210.00	\$48,211.00	50.00%	\$24,105.50
	\$0.00	\$0.00	50.00%	\$0.00
Sub-Total	\$102,510.00	\$102,511.00		\$51,255.50
TOTALS	\$1,363,709.00	\$1,215,220.00		\$607,610.00

EXHIBIT C

PROJECT SCHEDULE

Grantee: City of Charlottesville, Virginia

SLAF Grant No.: 25-14

The Grantee has proposed the following schedule of key activities/milestones as a planning tool which may be subject to change. Unless authorized by a grant modification, it is the responsibility of the Grantee to adhere to the anticipated schedule for the Eligible Project as follows:

Project Name	Project Description / Milestone	Schedule / Timeline
Rivanna Restoration at Riverview Park	Start Planning	May 2024
	Complete Planning	July 2025
	Start Construction	September 2025
	Complete Construction	April 2026

The Grantee has proposed the following estimates for the grant funds for which it will request reimbursement:

Quarter	Estimated Amount of Grant Funds to be Requested for Reimbursement
April – June 2025	\$0
July – September 2025	\$0
October – December 2025	\$100,000
January – March 2026	\$225,000
April – June 2026	\$282,610
July – September 2026	\$0
October – December 2026	\$0
January – March 2027	\$0
April – June 2027	\$0
July – September 2027	\$0
October – December 2027	\$0

EXHIBIT D

REQUISITION FOR REIMBURSEMENT (To be on Grantee's Letterhead)

Department of Environmental Quality
Clean Water Financing and Assistance Program
P.O. Box 1105
Richmond, VA 23218
Attn.: CWFAP Deputy Director

RE: **Stormwater Local Assistance Fund Grant**

SLAF Grant No.: 25-14
Rivanna Restoration at Riverview Park

Dear Deputy Director:

This requisition, Number , is submitted in connection with the referenced Grant Agreement, dated as of *[insert date of grant agreement]* between the Virginia Department of Environmental Quality and . Unless otherwise defined in this requisition, all capitalized terms used herein shall have the meaning set forth in Article I of the Grant Agreement. The undersigned Authorized Representative of the Grantee hereby requests disbursement of grant proceeds under the Grant Agreement in the amount of \$, for the purposes of payment of the Eligible Project Costs as set forth on Schedule I attached hereto.

Copies of invoices relating to the items for which payment is requested are attached.

The undersigned certifies that the amounts requested by this requisition will be applied solely and exclusively to the reimbursement of the Grantee for the payment of Eligible Project Costs that are Capital Expenditures.

This requisition includes (if applicable) an accompanying Certificate of the Project Engineer as to the performance of the work.

Sincerely,

Date: _____
(Authorized Representative of the Grantee)

City of Charlottesville, Virginia (SLAF # 25-14)

**CERTIFICATE OF THE PROJECT ENGINEER
FORM TO ACCOMPANY REQUEST FOR REIMBURSEMENT**

Grantee: City of Charlottesville, Virginia

SLAF Grant No.: 25-14

This Certificate is submitted in connection with Requisition Number _____, dated _____, 20____, submitted by the _____ (the "Grantee") to the Virginia Department of Environmental Quality. Capitalized terms used herein shall have the same meanings set forth in Article I of the Grant Agreement referred to in the Requisition.

The undersigned Project Engineer for _____ hereby certifies that insofar as the amounts covered by this Requisition include payments for labor or to contractors, builders or material men, such work was actually performed or such materials, supplies, or equipment were actually furnished to or installed in the Eligible Project.

(Project Engineer)

(Date)

SCHEDULE 1
STORMWATER LOCAL ASSISTANCE FUND
FORM TO ACCOMPANY REQUEST FOR REIMBURSEMENT

REQUISITION # _____

Grantee: City of Charlottesville

SLAF Grant No.: 25-14 **CERTIFYING SIGNATURE:** _____ **DATE:** _____ **TITLE:** _____

Cost Category	Total Project Budget	SLAF Eligible Project Budget	SLAF Grant Budget	Eligible Expenditures This Period	Current Grant Payment	Previous Grant Disbursements	Total Grant Payments to Date	SLAF Grant Balance
Design Engineering								
Rivanna Restoration at Riverview Park	\$148,490.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sub-Total	\$148,490.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Construction								
Rivanna Restoration at Riverview Park	\$1,112,709.00	\$1,112,709.00	\$556,354.50	\$0.00	\$0.00	\$0.00	\$0.00	\$556,354.50
Sub-Total	\$1,112,709.00	\$1,112,709.00	\$556,354.50	\$0.00	\$0.00	\$0.00	\$0.00	\$556,354.50
Other								
Rivanna Restoration at Riverview Park								
Project Inspection Fees	\$54,300.00	\$54,300.00	\$27,150.00	\$0.00	\$0.00	\$0.00	\$0.00	\$27,150.00
Construction Contingencies	\$48,210.00	\$48,211.00	\$24,105.50	\$0.00	\$0.00	\$0.00	\$0.00	\$24,105.50
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sub-Total	\$102,510.00	\$102,511.00	\$51,255.50	\$0.00	\$0.00	\$0.00	\$0.00	\$51,255.50
Totals	\$1,363,709.00	\$1,215,220.00	\$607,610.00	\$0.00	\$0.00	\$0.00	\$0.00	\$607,610.00

Total Grant Amount:	<u>\$607,610.00</u>
Previous Disbursements:	<u>\$0.00</u>
This Request:	<u>\$0.00</u>
Grant Proceeds Remaining:	<u>\$607,610.00</u>

EXHIBIT E

DETERMINATION OF AVERAGE REASONABLY EXPECTED ECONOMIC LIFE OF PROJECT ASSETS

Grantee: City of Charlottesville, Virginia

SLAF Grant No.: 25-14

The Internal Revenue Code of 1986, as amended, limits the length of average maturity for certain tax-exempt bonds, such as the VPBA Bonds, to no more than 120% of the average reasonably expected economic life of the assets being financed with the proceeds of such bonds. This life is based on Revenue Procedure 62-21 as to buildings and Revenue Procedures 83-35 and 87-56 as to equipment and any other assets. In this Exhibit, the Grantee will certify as to the average reasonably expected economic life of the assets being financed by the Grant.

Please complete the attached chart as follows:

Step 1. Set forth in Column II the corresponding total cost of each type of asset to be financed with the Grant.

Step 2. Set forth in Column III the economic life of each type of asset listed in accordance with the following:

Land. Exclude the acquisition of any land financed with a portion of the Grant funds from the economic life calculation.

Land Improvements. Land improvements (i.e., depreciable improvements made directly to or added to land) include sidewalks, roads, canals, waterways, site drainage, stormwater retention basins, drainage facilities, sewers (excluding municipal sewers), wharves and docks, bridges, fences, landscaping, shrubbery and all other general site improvements, not directly related to the building. Buildings and structural components are specifically excluded. 20 years is the economic life for most stormwater projects.

Buildings. Forty years is the economic life for most buildings.

Equipment. Please select an Asset Depreciation Range (“ADR”) midpoint or class life for each item of equipment to be financed. The tables of asset guideline classes, asset guideline periods and asset depreciation ranges included in IRS Revenue Procedures 83-35 and 87-56 may be used for reference. To use the tables, you should first determine the asset guideline class in which each item of equipment falls. General business assets fall into classes 00.11 through 00.4 to the extent that a separate class is provided for them. Other assets, to the extent that a separate class is provided, fit into one or more of classes 01.1 through 80.0. Subsidiary assets (jigs, dies, molds, patterns, etc.) are in the same class as are the other major assets in an industry activity unless the subsidiary assets are classified separately for that industry. Each item of equipment should be classified according to the activity in which it is primarily used. If the equipment is not described in any asset guideline class, its estimated economic life must be determined on a case by case basis.

Contingency. Any amounts shown on the Project Budget as “contingency” should be assigned to the shortest-lived asset. For example, contingency for a stormwater project should likely be given an economic life of 20 years.

Step 3. Set forth in Column IV the date each asset is expected to be placed in service. An asset

City of Charlottesville, Virginia (SLAF # 25-14)

is first placed in service when it is first placed in a condition or state of readiness and available for a specifically assigned function. For example, the placed in service date for a stormwater project is likely the project's expected completion date.

Step 4. Determine the adjusted economic life of the asset in Column V by adding the amount of time between February 21, 2013 (the earliest date upon which the VPBA Bonds were issued) and the specified placed in service date from Column IV. For example, if a stormwater project with an economic life of 20 years will be placed in service 2 years after February 21, 2013, then the adjusted economic life for such stormwater project should be 22.

Step 5. For Column VI, multiply the Total Costs Financed with the Grant from Column II by the Adjusted Economic Life from Column V for each type of asset.

Step 6. Total all the entries in Column II and in Column VI.

Step 7. Divide the total of Column VI by the total of Column II. The quotient is the average reasonable expected economic life of the assets to be financed with the Grant.

AVERAGE REASONABLY EXPECTED ECONOMIC LIFE OF PROJECT ASSETS

Column I	Column II	Column III	Column IV	Column V	Column VI
<u>Asset</u>	<u>Total Cost Financed with Grant</u>	<u>Economic Life</u>	<u>Date Asset Placed in Service</u>	<u>Adjusted Economic Life</u>	<u>Column II x Column V</u>
Land Improvements	\$1,363,709	20 years	April 30, 2026	33 years	\$45,002,397
Building					
Equipment					
Contingency					
TOTAL	<u>\$1,363,709</u>				<u>\$45,002,397</u>

Average Reasonably Expected Economic Life: Total of Column VI ÷ Total of Column II = 33

Policy Briefing Summary

City Council



Regarding:	Resolution to appropriate funding from the Supreme Court of Virginia Behavioral Health Docket Grant - \$78,150.09 (1 of 2 readings)
Staff Contact(s):	Taylor Harvey-Ryan, Grants Program Manager
Presenter:	Madison Keller, Offender Aid and Restoration
Date of Proposed Action:	January 20, 2026

Issue

- Appropriate funding from the Virginia Supreme Court of Virginia Behavioral Health Docket Grant in the amount of \$78,150.09
- Execute the Statement of Grant Award/Acceptance
- Execute the MOA between OAR and the City of Charlottesville

Background / Rule

The City of Charlottesville, on behalf of the Albemarle-Charlottesville Therapeutic Docket program, has received a Supreme Court of Virginia Behavioral Health Docket Grant for \$78,150.09 for operations of the therapeutic docket program, which is operated by Offender Aid and Restoration (OAR). The City of Charlottesville serves as fiscal agent for the Supreme Court of Virginia Behavioral Health Docket Grant.

Analysis

In its sixth year of operation, the Albemarle-Charlottesville Therapeutic Docket program is a supervised 9 to 12 month treatment program that serves as an alternative to incarceration for offenders. The Therapeutic Docket is a specialized docket within the existing structure of the court system given the responsibility to handle cases involving adult misdemeanor offenders who suffer from serious mental illness. The program uses the power of the court to assist offenders to achieve wellness and recovery through a combined system of intensive supervision, medication management, mental health treatment, and regular court appearances.

The total program budget is **\$264,689.09** and includes three funding sources:

Supreme Court of VA - \$78,150.09

City of Charlottesville: \$127,050.00, previously appropriated

Albemarle County: \$59,489.00, previously appropriated

This relates to the City of Charlottesville's priority area of safety/criminal justice. The Therapeutic Docket is a valuable, less expensive alternative to incarceration for certain criminal offenders with serious mental illness which utilizes a blend of court-ordered supervision, mental health treatment services, court appearances, and behavioral sanctions and incentives to reduce recidivism and enhance personal accountability and mental health and wellness among participants.

The Therapeutic Docket is a direct service provider and are engaged daily with non-violent criminal offenders with serious mental illness who are at a high level of risk for reoffending and have a high level of need due to mental illness. By collaborating with the Court system, Region Ten Community Services Board and Partner for Mental Health, the Therapeutic Docket provides these offenders with a highly structured, rigorously supervised system of treatment and criminal case processing that result in a significant reduction in recidivism rates for program participants and graduates. Participants gain access to the Therapeutic Docket through referrals from police, probation, magistrates, defense attorneys and other local stakeholders. Participants have active criminal cases pending in the General District Court. If they successfully complete the program which takes a minimum of 9 months, participants may have their pending charges dismissed or receive an all-suspended sentence. If participants are unsuccessful and have to be terminated from the program, they return to court to face their original charges. Successful Therapeutic Docket participants return the community's investment in them by improving their mental health status, maintaining compliance with treatment regimens, including medications, and reducing their criminal behaviors in the community.

Financial Impact

No additional City funding is required as the City's match for this grant, \$127,050.00, was appropriated as part of the FY 2026 Council Approved Budget as part of the City's contribution to Offender Aid and Restoration.

Recommendation

Staff recommend the appropriateation of the grant funds and execution of the MOA and Statement of Grant Award.

Recommended Motion (if Applicable)

I move to approve the resolution appropriating the \$78,150.09 from the Supreme Court of Virginia to support the Behavioral Health Docket program. I move to approve the City Manager executing the MOA between OAR and the City and the Statement of Grant Award.

Attachments

1. FY26 TD and CITY MOA
2. FY26 Therapeutic Docket Resolution 78,150.09

MEMORANDUM OF AGREEMENT

Regarding Administration of the Charlottesville/Albemarle Therapeutic Docket
Pursuant to OES Virginia Behavioral Health Dockets Grant Program

THIS AGREEMENT is entered into this 30 day of September 2025 by and between the City of Charlottesville, Virginia (hereinafter the "City"), and Offender Aid and Restoration (hereinafter "OAR") to provide funding and services for the operation and administration of the Charlottesville/Albemarle Therapeutic Docket (hereinafter "Docket").

WHEREAS, the parties hereto desire to facilitate funding and staffing of the Docket, which is administered by OAR; and

WHEREAS, the Supreme Court of Virginia, Office of the Executive Secretary (hereinafter "OES") is willing to provide funding through the Virginia Behavioral Health Dockets Grant Program for the services being provided to persons through the Docket; and

WHEREAS, the administrators of the Docket desire for the City to serve as their fiscal agent with respect to state funding allocated for the Docket and to provide certain other assistance to facilitate the staffing and continued funding of the Docket; **NOW, THEREFORE**,

WITNESS:

In consideration of the mutual premises set forth within this Memorandum of Agreement, the undersigned parties do hereby set forth their agreement as follows:

1. **Term.** The term of this Agreement shall be for ten months, commencing on July 1, 2025 (hereinafter "Commencement Date") and continuing through June 30, 2026.
2. **Appropriations.** This Agreement, and each party's obligations hereunder, is expressly made contingent upon the availability and appropriation of public funds to support performance of the Agreement.
3. **Funding Provided by OES.** The parties acknowledge and understand that state funding for the Docket (total grant amount: \$78,150.09) shall be received by the City and administered by the parties as follows:
 - a. **Funding for the Docket**, through general fund appropriation(s) made to OES, shall be provided as follows: (i) for OAR, an amount not less than \$78,150.09, payable to the City, as fiscal agent for the Docket, in four quarterly installments. Requests for funds shall be submitted to OES by the City according to the OES approved schedule. Quarterly reimbursements are to be received by the City and disbursed to OAR. Invoices from OAR are due to the City by the 10th of each month or the following Monday if the 10th falls on a weekend.

- b. Docket Services. This contract shall implement the conditions of the Statement of Grant Award and the Statement of Grant Award Special Conditions for the OES Behavioral Health Dockets Grant. This contract may remain in effect beyond the specified term, provided OES grant funds are available in subsequent fiscal years and provided the contract is not terminated by one of the parties as outlined in paragraph 7 of this Memorandum of Agreement.
- c. Designation of Fiscal Agent. OAR specifically and expressly designates the City as their fiscal agent for receipt, administration and disbursement of the funding which is the subject of this Agreement.

4. Obligations of Docket. Both parties to this Agreement agree to cooperate fully with the other party to ensure that the conditions attached to and made a part of the grant award are complied with in the administration of the Docket. The parties to this agreement shall together be responsible for timely preparation and completion of all reports required by the grant conditions; upon request by a party preparing any such report(s), the other party shall provide necessary statistical, budgetary, financial or other information necessary to complete a required report.
5. Obligations of the City. The City shall provide the following:
 - a. Fiscal Agent services, to receive, to disburse to OAR, and to account for funds received from OES for the operation and administration of the Docket, in accordance with this Agreement;
 - b. Documentation and follow-up, regarding funds received from OES, as required by OES and the administrators of the Docket;
 - c. Cooperation with Docket staff and administrators in connection with the preparation of quarterly fiscal reports on expenditures and quarterly financial requests for funding;
6. Notice and Other Communications. Any notice, report, request, correspondence or other communication(s) required or provided in connection with this Agreement shall be in writing and shall be deemed given when actually received by the addressee. Notices to the City shall be addressed as follows: Attention: Samuel Sanders, Jr, City Manager, P.O. Box 911 City Hall, Charlottesville, VA 22902. Fax: 434-970-3890. All correspondence or other communications shall be cc'd to Gail Hassmer, Chief Accountant at the same address as above.
7. Termination of Agreement. Either party may terminate this Agreement at any time, for its convenience and/or for lack of available or appropriated funding, by giving thirty (30) days advance written notice to the other.
8. No Discrimination. Each party hereto agrees that in the provision of services contemplated by this Agreement, it will not discriminate on the basis of race, religion, color, sex, handicap, national origin, or any other basis prohibited by law. Further, during the performance of this contract, each party agrees that it will not discriminate

against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, national origin, age, disability or any other basis prohibited by law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the party. Each party agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. In all solicitations or advertisements for employees placed by or on behalf of a party hereto, the party will state that it is an equal opportunity employer. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

9. **Drug Free Workplace.** During performance of this contract, each party agrees as follows: (i) to provide a drug-free workplace for the party's employees; (ii) to post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the party's workplace, specifying the actions that will be taken against employees for violations of such prohibition; and (iii) to state in all solicitations or advertisements for employees placed by or on behalf of the party that the contractor maintains a drug-free workplace. For the purposes of this paragraph, "drug-free workplace" means a site for the performance by a party of services in connection with this Agreement, where employees at such sites are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana.
10. **Entire Agreement.** This document sets forth the complete understanding of the parties hereto.

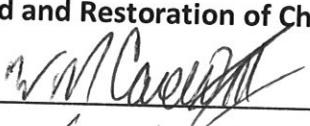
IN WITNESS WHEREOF, the parties do hereby set forth their signatures, representing that the individuals who affix their signatures hereto have been duly authorized to bind each party to the terms and conditions of the foregoing Agreement:

City of Charlottesville:

By: _____

Title: _____

Offender Aid and Restoration of Charlottesville-Albemarle, Inc.

By: _____ 

Title: _____ Executive Director

APPROPRIATION
Albemarle-Charlottesville Therapeutic Docket Grant Award
\$78,150.09

WHEREAS, the Supreme Court of Virginia awarded the Supreme Court of Virginia Recovery Court Docket Grant in the amount of \$78,150.09 for the Charlottesville/Albemarle Recovery Court in order to fund salaries, benefits, and operating expenses; and

WHEREAS, the City of Charlottesville serves as the fiscal agent for this grant program; and

WHEREAS, the City of Charlottesville and Albemarle County both have dedicated local matches to this grant, totaling \$186,539.00; and

WHEREAS, the grant award covers the period July 1, 2025 through June 30, 2026.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, which the sum of \$78,150.09, received as a grant from the Supreme Court of Virginia, is hereby appropriated in the following manner:

Revenues

\$78,150.09 Fund: 209 Internal Order: 1900617 G/L Account: 430110

Expenditures

\$78,150.09 Fund: 209 Internal Order: 1900617 G/L Account: 530670

BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$78,150.09 from the Supreme Court of Virginia.

Policy Briefing Summary

City Council



Regarding:	Resolution to appropriate the Virginia Department of Social Services Family Assistance Management (F.A.M.) grant in the amount of \$125,754.06 (1 of 2 readings)
Staff Contact(s):	Taylor Harvey-Ryan, Grants Program Manager
Presenter:	Misty Graves, Director of Human Services, Charlsie Stratton, Deputy Director Humaan Services Department
Date of Proposed Action:	January 20, 2026

Issue

- Appropriate funding from the Virginia Department of Social Services in the amount of \$125,754.06
- Execute the MOA between the Virginia Department of Social Services and the City of Charlottesville

Background / Rule

The City of Charlottesville, was notified that it had received a grant from the Commonwealth of Virginia through the Virginia Department of Social Services' Family Assistance Management (F.A.M.) program to support the Community Attention Foster Families program operated by the City's Department of Human Services.

Analysis

The Community Attention Foster Families (CAFF) /Department of Human Services was awarded the F.A.M. grant to support the recruitment and hiring of a dedicated staff member specializing in family finding. This position will enhance our efforts to identify and support kinship families for youth within our catchment area and surrounding communities. Now mission and serve children in their care more effectively. In our current collaboration with the Department of Social Services (DSS) in Charlottesville, Albemarle County, and Greene County, we have a total of 123 children enrolled in the program. The collaboration has approved 74 resource families, with 38 children placed in resource family homes. Additionally, there are 85 children in the program living in relative or kinship homes. Of these, 32 children are in kinship homes through Albemarle County DSS, 47 children are in kinship homes through Charlottesville DSS, and 6 children are in kinship homes through Greene County DSS. As we navigate additional partnership with Fluvanna County DSS we have learned that they currently have 19 children experiencing foster care with 4 youth in independent living, 1 child in residential care, 2 children in kinship care, 3 children on trial home visits and 9 youth in resource family/TFC/LCPA homes. Fluvanna has a total of 14 resource families that they have approved and monitor.

Community Attention Foster Families (CAFF) brings over 20 years of experience in evaluating and implementing child welfare programs across our region. Throughout this time, our agency has adapted and evolved our programming to meet the changing needs of children and families, consistently providing responsive and effective support to our partner LDSS offices. Across its various iterations, CAFF has remained grounded in evidence-based practices and informed by local data. Our approach has always prioritized keeping youth connected to their communities, recognizing that these connections lead to better long-term outcomes for children and their families. In 2009, CAFF launched

the Fostering Localinitiative—an intentional effort to recruit foster families within our communities and ensure that youth in foster care maintain relationships with familiar, trusted adults and remain in environments that support their well-being. This initiative also encompasses training, approval, and ongoing support for kinship caregivers. As a result of this longstanding work, our partner localities now lead the state in the percentage of youth placed with kinship families. Together, we continue to look ahead, identifying innovative ways to expand services and strengthen supports for families, always with the goal of keeping children safe, connected, and close to home.

We will utilize these grant funds to enhance existing services with a specific emphasis on family finding for both new and ongoing cases. The funding will allow CAFF to hire a dedicated staff member specializing in Family Finding to support the Charlottesville, Albemarle, Greene, and Fluvanna Departments of Social Services. This individual will undergo specialized training in the Family Finding model and will work closely with each local Department of Social Services (LDSS). They will engage with cases as early as possible to identify potential relative caregiver placement options. The funds will be allocated for salary, travel, individual and community training, office supplies and furniture, computer and cell phone procurement, as well as advertising, marketing materials, and administrative fees.

We will use the grant funds to expand existing services by placing a targeted focus on family finding for both new and ongoing cases. Specifically, the funding will enable CAFF to hire a dedicated staff member specializing in Family Finding to serve Charlottesville, Albemarle, Greene, and Fluvanna Departments of Social Services. This individual will receive specialized training in the Family Finding model and will collaborate closely with each LDSS, engaging as early as possible in each case to identify potential relative caregiver placement options. In instances where kinship placement is not immediately available, and a child must enter a resource family home, the Family Finding staff member will maintain ongoing involvement—persistently revisiting and re-engaging the family finding process throughout the life of the case. This continuous effort ensures that kinship and relative placement options remain a top priority, aligning with the VDSS Kin First Now mission and reinforcing our commitment to keeping children connected to family whenever possible.

CAFF will recruit and hire a Family Finding staff member through the City of Charlottesville's Human Services Department. Given that this position will support multiple LDSS partners, we will leverage their networks and outreach capabilities to ensure a broad and competitive applicant pool, allowing us to identify and hire the most qualified candidate. Grant funding will ensure that the selected staff member receives training in the most current and effective Family Finding practices. In addition, they will complete all standard training required of Human Services/CAFF employees, including but not limited to Trauma-Informed Care and Mental Health First Aid. The staff member will receive regular supervision from a CAFF Program Director, with ongoing evaluation of their effectiveness conducted through scheduled supervision sessions, monthly coordination meetings with partner LDSSs, and quarterly checkins aligned with grant reporting requirements and data collection benchmarks.

With support from this grant, CAFF will be able to allocate resources toward enhancing our community visibility through expanded branding and outreach efforts. This will include the development of promotional materials such as car magnets, flyers, signage, and potentially a billboard. Strengthening our marketing presence will support targeted recruitment of non-relative foster families—providing additional placement options for our partner LDSSs when kinship caregivers are not immediately available. In addition to recruitment, grant funding will allow CAFF to offer a wider range of relevant training opportunities for non-relative caregivers, equipping them with tools to better support the youth in their homes. These trainings include, but are not limited to, Trust-Based Relational Intervention (TBRI) and

Compassionate Caregiving, with a specific focus on supporting neurodivergent youth. Importantly, this funding will allow CAFF to expand access to TBRI training beyond our internal staff to include foster families across our partner localities. Furthermore, the grant will enable us to train and certify a staff member as a TBRI trainer, ensuring our ability to offer ongoing, sustainable TBRI training to families within our current LDSS partnerships and additional localities, including Fluvanna.

Financial Impact

There is no financial impact to the City of Charlottesville.

Recommendation

Staff recommends the appropriation of the grant funds from the Virginia Department of Social Services and the execution of the Memorandum of Agreement by the City Manager.

Recommended Motion (if Applicable)

I move to approve the resolution appropriating the \$125,754.06 from the Virginia Department of Social Services to support the Community Attention Foster Families program.

I move to approve the City Manager or designee execute the Memorandum of Agreement between the City of Charlottesville and the Commonwealth of Virginia.

Attachments

1. F.A.M. Grant Resolution
2. DocuSign_FAM-26-033-01_Contract (1)

RESOLUTION

Appropriating Funding in the Amount of \$125,754.06 To Be Received from the Virginia Department of Social Services' Family Assistance Management (F.A.M.) Grant

WHEREAS, The City of Charlottesville has been notified that it will be awarded a grant from the Family Assistance Management grant program from the Virginia Department of Social Services in the amount of \$125,754.06.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that upon receipt of the F.A.M. funding the Commonwealth of Virginia, said funding, anticipated in the sum of \$125,754.06, is hereby appropriated in the following manner:

Revenues

\$125,754.06	Fund 209	Order: 3413023000 G/L 530550
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Expenditures

\$125,754.06	Fund 209	Order 3413023000 G/L 530550
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BE IT FUTHER RESOLVED that this appropriation is conditioned upon receipt of \$125,754.06 in funds from the Commonwealth of Virginia.

**COMMONWEALTH OF VIRGINIA
DEPARTMENT OF SOCIAL SERVICES
5600 Cox Road, Glen Allen, Virginia 23060**

CONTRACT #FAM-26-033-01

Between the
Virginia Department of Social Services
and
City of Charlottesville, Virginia
Department of Human Services

This Memorandum of Agreement (hereinafter referred to as the “MOA”, “Contract” or “Agreement”) is made as of the date of the final signature below by and among the Commonwealth of Virginia, Department of Social Services (hereinafter referred to as “VDSS” or the “Department”) and the City of Charlottesville, Virginia, Department of Human Services, (hereinafter referred to as the “Contractor”) and provides the conditions, stipulations, and responsibilities of each Party.

I. PURPOSE

The purpose of this Agreement is to support the establishment and implementation of a Resource Family Collaborative Program in which Local Departments of Social Services (LDSS) form partnerships to provide services designed to strengthen the recruitment and retention of kinship and non-relative foster families, leading to more opportunities for placement of children and youth in a family setting.

INFORMATIONAL PURPOSES:

UNITE US – Contracted service providers are highly encouraged to join Unite Virginia, a statewide coordinated care network of health and social service providers. Partners in the network send and receive closed-loop, secure, electronic referrals across multiple sectors and organizations through the shared Unite Us platform. The platform enables providers to track every person’s total health journey and report on tangible outcomes.

Unite Us is the vendor selected by the state to power the Unite Virginia network and is partnering with the Office of the Virginia Secretary of Health and Human Resources, Virginia Department of Social Services, the Virginia Department of Health, Optima Health, Kaiser Permanente, the Virginia Mental Health Access Program, Partnering for a Healthy Virginia, and Virginia Hospital & Healthcare Association, among others. The platform is available at no cost to nonprofits and many organizations that are part of the safety net, like community health centers and mental health centers. For more information and to join, please visit <https://virginia.uniteus.com>

II. PERIOD OF AGREEMENT

This initial Agreement shall become effective upon the date of the final signature below and continue through October 31, 2026 with four (4) optional successive one (1) year renewals.

III. SCOPE OF WORK and DELIVERABLES

The Contractor shall be responsible for the following requirements:

- A. The Contractor shall be responsible for adhering to all the general and special terms and conditions included in this MOA. The following Agreement documents shall be part of the MOA:
 - Attachment A – Budget
 - Attachment B – Narrative
 - Attachment C – Implementation Plan
 - Attachment D – Recruitment and Retention Plan
 - Attachment E – Evaluation Plan
- B. The Contractor shall develop and obtain signatures for an MOA with a least two (2) LDSS outlining the Agreement, roles, and responsibilities of each Resource Family Collaborative. The MOA should be updated annually. Copies of MOAs should be sent to the Contract Administrator (CA) annually.
- C. The Contractor shall function as the fiscal and programmatic agent for the LDSS Collaborative to ensure all contract deliverables are completed by established deadlines. The Contractor serves as the Lead Agency for the Collaborative.
- D. The Contractor must conduct annual in-person or virtual site visits to Subcontractors to ensure allocated funds are spent according to approved budgets and work plans, if applicable.
- E. The Contractor shall ensure that a Program Coordinator is hired to supervise all aspects of the LDSS Collaborative and implementation of the LDSS Collaborative's goals and objectives outlined in Attachment C. Implementation Plan, Attachment D. Recruitment and Retention Plan, and Attachment E. Evaluation Plan, attached hereto and incorporated herein.
- F. The Contractor must ensure they and their subcontractors and Collaborative LDSS members adhere to the federal, state, and local policies, regulations, and laws pertaining to family engagement, resource and kinship family approvals, monitoring, and reapprovals.
- G. The Contractor shall coordinate monthly or quarterly meetings with LDSS Collaborative members to ensure fidelity to the Implementation Plan, Recruitment and Retention Plan, and Evaluation Plan. The agenda, attendees, and a summary of the meeting shall be available for review by CA and LDSS Collaborative members when requested.
- H. The VDSS shall approve any adjustments made to the Contractor's LDSS Collaborative Implementation Plan, Evaluation Plan and the Recruitment and Retention Plan. Revisions must be submitted in writing to the VDSS CA for review and approval at least two (2) weeks before changes become effective.
- I. The Contractor and their LDSS Collaborative members shall meet virtually or in-person with VDSS CA staff on an agreed upon meeting schedule to discuss progress, program development, monitoring, barriers to overcome, identifying and testing solutions, and evaluation on a schedule agreed upon by all parties.
- J. The Contractor shall maintain a comprehensive list of approved, real-time, and available foster homes within partnering jurisdictions. Lists should include family name, address, phone number, email address, and number of open placements available in the home. Lists should be available and accessible 24/7 to LDSS Collaborative members.

- K.** The Contractor shall share foster homes with Collaborative members, across jurisdictions to identify and secure placements for children in a scope and manner identified by the Collaborative.
- L.** The Contractor will target efforts to increase families for older youth, children with special needs, and children living in congregate care settings.
- M.** The Contractor shall develop and maintain an annual foster parent retention plan outlining services and support to be provided to families within the Collaborative.
- N.** The Contractor shall update annually, the Implementation Plan, Evaluation Plan, and Recruitment and Retention Plan and submit to VDSS CA for approval, at least two (2) weeks prior to the renewal of the Contract.

IV. REPORTING REQUIREMENTS

- A. Monthly Reports:** The Contractor shall submit accurate, programmatic and fiscal monthly reports including outputs and outcomes that outline all of the Collaborative activities in a format provided by VDSS CA. Monthly reports shall be submitted by the 30th of each month following when services are rendered. Reports should be submitted with monthly invoices.
- B. Annual Reports:** The Contractor shall submit an annual report within thirty (30) days after the Contract period ends in a format provided by VDSS CA. The Annual Report should detail program services, outputs and outcomes for the Contract period.
- C. Additional Reports:** The Contractor shall provide additional reports as needed and as requested by VDSS CA.

V. POINTS OF CONTACT

A. VDSS Home Office:

Leonard Recupero, Contract Administrator
Telephone: 804-944-7563
5600 Cox Road, 3rd Floor
Glen Allen, VA 23060
Email: leonard.recupero@dss.virginia.gov

B. City of Charlottesville, Virginia:

Project Contact: Reginald Allen, Human Services Planner
Department of Human Services
Community Attention Foster Families
Telephone: 434-282-4434
414 4th Street, NE
Charlottesville, VA 22902
Email: allenr@charlottesville.gov

VI. COMPENSATION AND METHOD OF PAYMENT

A. Compensation: VDSS agrees to pay Community Attention Foster Families \$125,754.06 for completion of the work described in Section III. Scope of Work and Deliverables.

B. Method of Payment: Payment will be in accordance with the Commonwealth of Virginia's Prompt Payment Act. If errors are found in the invoice, the thirty (30) days will be from the date a corrected invoice is received. Payment may be made by check or Electronic Data Interchange (EDI) through the Virginia Department of Accounts. Electronic detailed invoices shall reference the Contractor's complete name, the contract number, Contractor's FIN number, the purchase order number, invoice date, total cost and be accompanied by any supporting documentation.

1. The Contractor must be prepared to pay expenses as they are incurred and then submit expenditure requests for funds on a monthly basis to VDSS CA for reimbursement.
2. Monthly invoices are due by the 30th of each month following the month when services were provided in a format approved by the VDSS CA or their designee. Invoices shall be submitted electronically to the Contract Administrator at DSS-FS-Contracts.Invoices@dss.virginia.gov.
3. Contractor Remittance Address for Payment (should match address on invoice and W-9.)
4. The Contractor shall adhere to State travel, lodging and meal reimbursement regulations. VDSS cannot reimburse over the federal mileage rate, State lodging or meal per diem rate as indicated in the U.S. General Services Administration (GSA) Per Diem Rates.

VII. GENERAL TERMS AND CONDITIONS

A. ETHICS IN PUBLIC CONTRACTING: Upon signing the Contractor certifies that this contract is made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other source, supplier, manufacturer or subcontractor in connection with this contract and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

B. TESTING AND INSPECTION: The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

C. ASSIGNMENT OF CONTRACT: A contract shall not be assignable by the Contractor in whole or in part without the written consent of the Commonwealth.

D. CHANGES TO THE CONTRACT: Changes can be made to the contract in any of the following ways:

1. The parties may agree in writing to modify the terms, conditions, or scope of the contract. Any additional goods or services to be provided shall be of a sort that is ancillary to the contract goods or services, or within the same broad product or service categories as were included in the contract award. Any increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.

2. The Purchasing Agency may order changes within the general scope of the contract at any time by written notice to the Contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt, unless the Contractor intends to claim an adjustment to compensation, schedule, or other contractual impact that would be caused by complying with such notice, in which case the Contractor shall, in writing, promptly notify the Purchasing Agency of the adjustment to be sought, and before proceeding to comply with the notice, shall await the Purchasing Agency's written decision affirming, modifying, or revoking the prior written notice. If the Purchasing Agency decides to issue a notice that requires an adjustment to compensation, the Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Purchasing Agency a credit for any savings. Said compensation shall be determined by one (1) of the following methods:
 - a. By mutual agreement between the parties in writing; or
 - b. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the Purchasing Agency's right to audit the Contractor's records and/or to determine the correct number of units independently; or
 - c. By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing Agency shall have the right to audit the records of the Contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia *Vendors Manual*. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the Contractor from promptly complying with the changes ordered by the Purchasing Agency or with the performance of the contract generally.

E. AVAILABILITY OF FUNDS: It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent that the legislature has appropriated funds that are legally available or may hereafter become legally available for the purpose of this agreement.

F. CONTRACT EXTENSIONS: In the event that the original term and all renewals of this contract expire prior to the award for a new contract for similar goods and/or services, the Commonwealth of Virginia may, with written consent of the Contractor, extend this contract for such a period as may be necessary to afford the Commonwealth of Virginia a continuous supply of the identified goods and/or services.

G. FORCED OR INDENTURED CHILD LABOR: During the performance of this contract the use of forced or indentured child labor is prohibited. Any Prime Contractor shall include such prohibition in every subcontract that exceeds \$10,000 and shall be binding upon each subcontractor or vendor.

For the purposes of this section, “forced or indentured child labor” means all work or service exacted from any person younger than 18 years of age under the menace of any penalty for the nonperformance of such work or service and for which such person does not offer himself voluntarily or performed by any person younger than 18 years of age pursuant to a contract the enforcement of which can be accomplished by process or penalties.

VIII. SPECIAL TERMS AND CONDITIONS

- A. AUDIT:** The Contractor shall retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.
- B. CANCELLATION OF CONTRACT:** The Purchasing Agency reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the contractor. Any contract cancellation notice shall not relieve the contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
- C. RENEWAL OF AGREEMENT:** This Agreement may be renewed by the Purchasing Agency upon written agreement of both parties for four (4) successive one (1) year renewal periods, under the terms of the current Agreement, and at a reasonable time (approximately 90 days) prior to the expiration.
- D. PRIME CONTRACTOR RESPONSIBILITIES:** The Contractor shall be responsible for completely supervising and directing the work under this contract and all subcontractors that it may utilize, using its best skill and attention. Subcontractors who perform work under this contract shall be responsible to the prime Contractor. The Contractor agrees that it is as fully responsible for the acts and omissions of its subcontractors and of persons employed by it as it is for the acts and omissions of its own employees.
- E. SUBCONTRACTS:** No portion of the work shall be subcontracted without prior written consent of the Purchasing Agency. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Purchasing Agency the names, qualifications, and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the contract.
- F. eVA ORDERS AND CONTRACTS:** The Contract will result in multiple purchase order(s) with the applicable eVA transaction fee assessed for each order if applicable.
- G. CONFIDENTIALITY OF PERSONALLY IDENTIFIABLE INFORMATION:** The Contractor assures that information and data obtained as to personal facts and circumstances related to patients or clients will be collected and held confidential, during and following the term of this agreement, and unless disclosure is required pursuant to court order, subpoena or other regulatory authority, will not be divulged without the individual's and the agency's written consent and only in accordance with federal law or the Code of Virginia. Contractors who utilize, access, or store personally identifiable information as part of the performance of a contract are required to safeguard this information and immediately notify the agency of any breach or suspected breach in the security of such information. Contractors shall allow the agency to both participate in the investigation of incidents and exercise control over decisions regarding external reporting. Contractors and their employees working on this project may be required to sign a confidentiality statement.

H. AUTHORITIES: Nothing in this Agreement shall be construed as authority for either party to make commitments that will bind the other Party beyond the scope of services contained herein.

I. PERFORMANCES: All services provided by the Contractor pursuant to this Agreement shall be performed to the satisfaction of VDSS, and in accordance with the applicable federal, state, and local laws, ordinances, rules, and regulations. the Contractor shall not receive payment for work found by VDSS to be unsatisfactory, or performed in violation of federal, state, or local laws, ordinances, rules, or regulations.

J. OWNERSHIP OF MATERIALS AND DOCUMENTS: Ownership of all data, material, reports, studies, or other documents prepared by the Contractor in the performance of its obligations under this Agreement shall remain the property of VDSS and shall not be copyrighted by the Contractor. The Contractor shall not use, willingly allow, or cause to have used such material or data for any purpose other than the performance of the Contractor's obligations under this Agreement without the prior written consent of VDSS. VDSS will exercise all due diligence in approving the Contractor's access to any reports produced during this Agreement that could be deemed public information and would otherwise be available for dissemination or use in academic or similar contract pursuits.

Unless otherwise specified in this document regarding the provision of this contract's deliverables, the Contractor will provide electronic copies of all supporting and actual records, files, and data/information captured and created relating to this engagement within thirty (30) days of the project's close date.

K. SECURITY AND TRANSFER OF DATA: VDSS will not share any Agency-owned data with the Contractor.

IN WITNESS WHEREOF, the Parties have caused this Contract to be duly executed intending to be bound thereby. Persons signing this Contract are authorized representatives of each Party to this Contract and acknowledge that each Party agrees to be bound by the terms and conditions of the Contract.

City of Charlottesville, Virginia

By: _____
(Signature)

Name: Taylor Harvey-Ryan
(Print)

Title: _____

Date: _____

**Commonwealth of Virginia
Department of Social Services**

By: _____
(Signature)

Name: _____
(Print)

Title: _____

Date: _____

Note: This public body does not discriminate against any Contractor in accordance with the *Code of Virginia*, § 2.2-4343.1 or because of race, religion, color, sex, sexual orientation, gender identity, national origin, age, disability, political affiliation, veteran status, status as a military family or any other basis prohibited by state law relating to discrimination in employment.

BUDGET SUMMARY - DSS FUNDS AND MATCH FUNDS

SUBGRANTEE NAME	Charlottesville Department of Human Services
Grant Period	11/1/2025 - 10/31/2026
Contract #	FAM-26-033-01
Attachment #	A

BUDGET CATEGORY	<u>TOTAL PROGRAM BUDGET</u> (Including amount requested from VDSS)	<u>TOTAL</u> <u>VDSS</u> <u>REQUEST</u>
SALARIES	\$59,870.00	\$59,870.00
EMPLOYEE BENEFITS	\$32,184.06	\$32,184.06
RENT		\$0.00
OFFICE & PROGRAM		\$0.00
EQUIPMENT		\$0.00
SUBCONTRACTING		\$0.00
TRAINING/TRANSPORTATION		\$0.00
OTHER	\$33,700.00	\$33,700.00
Total	\$ 125,754.06	\$ 125,754.06
Percentage of Total Program Budget Requested from DSS		100%

* Awarded funds cannot be used to supplant existing funds.

ITEMIZED BUDGET - SALARIES

SUBGRANTEE	Community Attention Foster Families																		
Grant Period:	11/1/2025 - 10/31/2026																		
Name of Employee	TBH	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Title	Ask	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total FICA per employee	\$ 4,580.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
% requested from DSS	100%																		
Amt requested from DSS	\$ 4,580.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,580.06
Total RETIREMENT	\$ 13,171.00																		
% requested from DSS	100%																		
Amt requested from DSS	\$ 13,171.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,171.00
Total LIFE INSURANCE	\$ 433.00																		
% requested from DSS	100%																		
Amt requested from DSS	\$ 433.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 433.00
Total UNEMPLOYMENT																			
% requested from DSS	100%																		
Amt requested from DSS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total WORKERS COMP																			
% requested from DSS	100%																		
Amt requested from DSS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total HEALTH INSURANCE	\$ 14,000.00																		
% requested from DSS	100%																		
Amt requested from DSS	\$ 14,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,000.00
Total OTHER BENEFITS																			
% requested from DSS																			
Amt requested from DSS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits per employee	\$ 32,184.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,184.06
Total benefits requested from DSS		\$ 32,184.06																	

ITEMIZED BUDGET - OTHER PROPOSED EXPENSES			
SUBGRANTEE Name:	Community Attention Foster Families		
Grant Period:	11/1/2025 - 10/31/2026		
LINE ITEM	Amount Requested	LINE ITEM	Amount Requested
1. RENT -- Office		4. SUBCONTRACTING OF <u>PROGRAM SERVICES</u>	
		5. STAFF TRAVEL & TRAINING	\$ -
			Travel
2. OFFICE and PROGRAM EXPENSES	\$0.00	Training	
Printing			
Postage		6. OTHER	\$ 33,700.00
Supplies		Office Supplies	\$ 2,500.00
Utilities		Training	\$ 4,000.00
Phone		Room and board	\$ 2,000.00
Program Expenses - Participant Support Costs		Community training	\$ 10,000.00
Program Expenses (Specify)		Administration	\$ 11,200
Program Expenses (Specify)		Travel	\$ 4,000.00
Program Expenses (Specify)		Other (Specify)	
Program Expenses (Specify)			
3. EQUIPMENT	\$ -		
Place <u>each</u> individual equipment purchase <u>over</u> \$5,000 below. Each equipment purchase under \$5,000 should be placed under Supplies above. Place each equipment purchase with a service life of one year or less (no matter the cost) under Supplies as well.			
Equipment <u>Purchase</u> (Specify)			
Equipment <u>Purchase</u> (Specify)			
Equipment <u>Leases</u>		Total	\$ 33,700.00

* Awarded funds cannot be used to supplant existing funds.

BUDGET NARRATIVE		
SUBGRANTEE Name:	Community Attention Foster Families	
Grant Period:	11/1/2025 - 10/31/2026	
Line Item	Budget Request	Narrative Description
SALARIES	\$59,870.00	
BENEFITS	\$32,184.06	
RENT	\$0.00	
OFFICE AND PROGRAM		
Printing	\$0.00	
Postage	\$0.00	
Supplies	\$0.00	
Utilities	\$0.00	
Phone	\$0.00	
Program Expenses - Participant Support Costs	\$0.00	
Program Expenses (Specify)	\$0.00	
EQUIPMENT PURCHASES		
Equipment Purchase (Specify)	\$0.00	
Equipment Purchase (Specify)	\$0.00	
Equipment Leases	\$0.00	
SUB CONTRACT SERVICES		
	\$0.00	
TRAVEL & TRAINING		
Travel	\$0.00	
Training	\$0.00	
OTHER		
Office Supplies	\$2,500.00	Office supplies are necessary to support the daily operations and administrative functions of the project. Items such as paper, pens, folders, printing cartridges, and other materials enable staff to efficiently manage documentation, data collection, reporting, and communication.
Training	\$4,000.00	Trainings are essential to ensure that team members are equipped with the latest knowledge, skills, and best practices to effectively support kinship families. These trainings enhance staff competence in areas such as trauma-informed care, family engagement, cultural responsiveness, and policy compliance.
Room and board	\$2,000.00	Room and board expenses are necessary to support staff and participants during multi-day community trainings, site visits, and outreach activities. These costs ensure that individuals can fully participate in essential in-person events without the burden of travel-related financial strain—particularly those traveling from rural or underserved areas.
Community training	\$10,000.00	Community training is a core component of this project, aimed at strengthening the knowledge, skills, and support systems of kinship caregivers, community leaders, and service providers. These trainings provide culturally responsive education on navigating kinship care, accessing available resources, and understanding the legal, emotional, and practical challenges faced by kinship families.
Administration	\$11,200.00	Administration fees are necessary to cover the costs associated with managing and overseeing the project. These fees support essential functions such as financial management, reporting, communication, and coordination among project staff and partners.
Travel	\$4,000.00	Travel funds are necessary to support in-person engagement with kinship families, community partners, and service providers. These visits help build trust, assess needs, and deliver culturally appropriate support that is difficult to achieve remotely. Travel also allows staff to attend key meetings, trainings, and site visits that directly contribute to the success and impact of the project.
Other (Specify)	\$0.00	
Total	\$125,754.06	

ATTACHMENT B

Resource Family Collaborative Application

Narrative – Attachment

The LDSS applying for the grant should be the designated fiscal and lead agency for the Collaborative.

Please answer the following questions. Be clear and succinct in your responses.

1. Tell us why you are applying for this grant. Please include information around your vision for this collaborative and information on why the agencies included in this application want to collaborate.

The CAFF/Department of Human Services is applying to be a recipient of this Collaborative Grant to support the recruitment and hiring of a dedicated staff member specializing in family finding. This position will enhance our efforts to identify and support kinship families for youth within our catchment area and surrounding communities. Our current partners—Greene, Albemarle, and Charlottesville LDSS—strongly support this application. They recognize that increased family finding capacity will help transition more youth from resource family homes to kinship placements, directly aligning with the Virginia Department of Social Services (VDSS) *Kin First Now* mission. Additionally, implementing a more robust recruitment strategy will enable our partners to place children in homes within their communities when immediate kinship placement is not possible. Looking ahead to expanding our collaborative efforts, Fluvanna LDSS has expressed interest in joining this effort. They are committed to shifting toward more kinship placements but face capacity and staffing challenges that hinder their ability to identify viable kinship providers. Fluvanna recognizes that this grant would provide much-needed support for family finding, allowing them to better align with the *Kin First Now* mission and serve children in their care more effectively.

2. Please provide the following information about the LDSS requesting to participate in this collaborative grant: the number of estimated youth in care for all collaborating agencies, the number of existing resource families approved by each agency, and the current kinship placement rates of each collaborating agencies.

In our current collaboration with the Department of Social Services (DSS) in Charlottesville, Albemarle County, and Greene County, we have a total of 123 children enrolled in the program. The collaboration has approved 74 resource families, with 38 children placed in resource family homes. Additionally, there are 85 children in the program living in relative or kinship homes. Of these, 32 children are in kinship homes through Albemarle County DSS, 47 children are in kinship homes through Charlottesville DSS, and 6 children are in kinship homes through Greene County DSS.

As we navigate additional partnership with Fluvanna County DSS we have learned that they currently have 19 children experiencing foster care with 4 youth in independent living, 1 child in residential care, 2 children in kinship care, 3 children on trial home visits and 9 youth in resource family/TFC/LCPA homes. Fluvanna has a total of 14 resource families that they have approved and monitor.

3. As the lead agency, please describe your experience implementing and evaluating child welfare programs in your region.

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Community Attention Foster Families (CAFF) brings over 20 years of experience in evaluating and implementing child welfare programs across our region. Throughout this time, our agency has adapted and evolved our programming to meet the changing needs of children and families, consistently providing responsive and effective support to our partner LDSS offices. Across its various iterations, CAFF has remained grounded in evidence-based practices and informed by local data. Our approach has always prioritized keeping youth connected to their communities, recognizing that these connections lead to better long-term outcomes for children and their families. In 2009, CAFF launched the *Fostering Local* initiative—an intentional effort to recruit foster families within our communities and ensure that youth in foster care maintain relationships with familiar, trusted adults and remain in environments that support their well-being. This initiative also encompasses training, approval, and ongoing support for kinship caregivers. As a result of this longstanding work, our partner localities now lead the state in the percentage of youth placed with kinship families. Together, we continue to look ahead, identifying innovative ways to expand services and strengthen supports for families, always with the goal of keeping children safe, connected, and close to home.

4. Tell us how you will use grant funds to support your Collaborative, *At a minimum, agencies must have an identified program coordinator, but Collaboratives are encouraged to be creative and tailor the use of funds to what will serve their Collaborative's ability to recruit and retain both non-relative and kinship families. Funds can be used for Collaborative staff, travel (staff, resource families, Collaborative members, trainers), recruitment efforts for resource families, family finding efforts for kinship placements, support groups for resource families (both non-relative, and kinship), meeting space rental, computer supplies (laptop, internet access), cell phone, meeting supplies, meals when resource families are required to attend trainings or other Collaborative business, etc.*

Our collaborative will utilize grant funds to enhance existing services with a specific emphasis on family finding for both new and ongoing cases. The funding will allow CAFF to hire a dedicated staff member specializing in Family Finding to support the Charlottesville, Albemarle, Greene, and Fluvanna Departments of Social Services. This individual will undergo specialized training in the Family Finding model and will work closely with each local Department of Social Services (LDSS). They will engage with cases as early as possible to identify potential relative caregiver placement options.

The funds will be allocated for salary, travel, individual and community training, office supplies and furniture, computer and cell phone procurement, as well as advertising, marketing materials, and administrative fees.

5. Answer only if you or your collaborative LDSS partners are currently a member of an existing Collaborative. Describe how the Collaborative will utilize grant funds to expand existing services. Funding cannot be used to supplement already existing funding but should be used to expand the agencies included in the existing Collaborative.

Our collaborative will use grant funds to expand existing services by placing a targeted focus on family finding for both new and ongoing cases. Specifically, the funding will enable CAFF to hire a dedicated staff member specializing in Family Finding to serve Charlottesville, Albemarle, Greene, and Fluvanna Departments of Social Services. This individual will receive specialized training in the Family Finding model and will collaborate closely with each LDSS, engaging as early as possible in each case to identify potential relative caregiver placement options. In instances where kinship placement is not immediately available and a child must enter a resource family home, the Family Finding staff member will maintain ongoing involvement—persistently revisiting and re-engaging the family finding process throughout the life of the case. This continuous effort ensures that kinship and relative placement options remain a top priority, aligning with the VDSS *Kin First Now* mission and reinforcing our commitment to keeping children connected to family whenever possible.

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6. What is your plan for recruitment, training, supervision, and evaluation of program staff? This can include the hiring of shared staff or plans to subcontract with a private agency.

CAFF will recruit and hire a Family Finding staff member through the City of Charlottesville's Human Services Department. Given that this position will support multiple LDSS partners, we will leverage their networks and outreach capabilities to ensure a broad and competitive applicant pool, allowing us to identify and hire the most qualified candidate. Grant funding will ensure that the selected staff member receives training in the most current and effective Family Finding practices. In addition, they will complete all standard training required of Human Services/CAFF employees, including but not limited to Trauma-Informed Care and Mental Health First Aid. The staff member will receive regular supervision from a CAFF Program Director, with ongoing evaluation of their effectiveness conducted through scheduled supervision sessions, monthly coordination meetings with partner LDSSs, and quarterly check-ins aligned with grant reporting requirements and data collection benchmarks.

7. How will you recruit, mobilize, share, and retain non-relative resource families among Collaborative partners?

With support from this grant, CAFF will be able to allocate resources toward enhancing our community visibility through expanded branding and outreach efforts. This will include the development of promotional materials such as car magnets, flyers, signage, and potentially a billboard. Strengthening our marketing presence will support targeted recruitment of non-relative foster families—providing additional placement options for our partner LDSSs when kinship caregivers are not immediately available. In addition to recruitment, grant funding will allow CAFF to offer a wider range of relevant training opportunities for non-relative caregivers, equipping them with tools to better support the youth in their homes. These trainings include, but are not limited to, Trust-Based Relational Intervention (TBRI) and Compassionate Caregiving, with a specific focus on supporting neurodivergent youth. Importantly, this funding will allow CAFF to expand access to TBRI training beyond our internal staff to include foster families across our partner localities. Furthermore, the grant will enable us to train and certify a staff member as a TBRI trainer, ensuring our ability to offer ongoing, sustainable TBRI training to families within our current LDSS partnerships and additional localities, including Fluvanna. As we continue to grow and strengthen our partnerships, CAFF will also maintain and expand our current supports, including (***Please note the following supports would not be covered by these grant funds:**).

- Monthly support groups
- In-service trainings
- The annual *“Let’s Talk About Race”* cohort for foster families that discusses how foster families can support children from different cultures, experiences and backgrounds in their homes.
- Three annual events celebrating foster families and the children they support: the Fall Event, Holiday Dinner, and Spring Celebration

These opportunities will be extended not only to our existing partners but also to Fluvanna DSS, ensuring all participating localities benefit from enhanced training, support, and recognition initiatives.

8. How will you share responsibilities for approving and supporting kinship resource families and how will you increase the overall kinship rate of your overall collaborative?

CAFF currently provides approval, training, and ongoing case management services for both resource and kinship foster families utilized by our partner LDSSs. With the support of this grant, we will be able to hire a dedicated staff member—trained or to be trained in Family Finding—who will work directly with our current collaborative partners as well as Fluvanna DSS to prioritize identifying and supporting kinship caregivers. This staff member will focus on both new foster care entries and existing cases where

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youth have not yet been placed with relative caregivers. Their role will include early intervention to explore kinship options at the onset of cases, as well as sustained efforts to revisit and re-engage the family finding process over time. By having a designated Family Finding specialist available to all participating LDSSs, our collaborative will be better equipped to increase the number of children placed with kinship caregivers—ensuring more youth remain connected to their families and communities across our service area.

9. What other resources will your LDSS and Collaborative partners add to the development, implementation, operation, and evaluation of your Resource Family Collaborative?

CAFF remains committed to providing in-service training, support groups, and family-focused events to our current LDSS partners. With the support of this grant, we will be able to extend these offerings to Fluvanna LDSS as well. Additionally, we will increase CAFF's visibility within Fluvanna County through strategic outreach efforts—including signage, car magnets, and flyers—aimed at recruiting foster and kinship families within the locality. These efforts are part of a broader strategy to build strong relationships and sustainable infrastructure for long-term collaboration with Fluvanna LDSS. Our goal is to lay the foundation for CAFF to support Fluvanna on a case-by-case basis through the use of CAFF's approved resource families, kinship family approval processes, and ongoing case management services. Ultimately, with this grant's support, CAFF aims to formally expand our partnership to include Fluvanna DSS as the fourth full member of our collaborative, further strengthening our regional approach to kinship care and foster family support.

10. Describe how you will ensure quarterly reports, monthly invoices, and other contract deliverables are submitted by the established deadline. Who in your LDSS Collaborative will be responsible for these routine submissions?

CAFF and all partner LDSSs are committed to ensuring the timely submission of reports and monthly invoices in accordance with the deadlines outlined in the grant proposal. CAFF currently meets monthly with each LDSS individually, as well as in a collaborative setting. These regular meetings will provide dedicated time and structure to collect all required data and ensure accurate, on-time reporting. Each participating locality will supply the necessary quarterly data points, including information on youth currently in resource family homes who may need relative placements, as well as updates on those placed with kinship caregivers. The Collaborative Grant Project Manager will be responsible for compiling this data and using it to complete all required quarterly reports, invoices, and other contract deliverables.

Item #	Who's Responsible	Task (What needs done)	Needs communicated?	Start Date	Implement Date	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Update on implementation 30 Day	Update on implementation 60 Day	Update on implementation 90 Day	Update on implementation 6 Months	Update on implementation 1 Year	
1	Tiffany Polychrones	Hiring a staff member to be trained in and focused on Family Finding																					
		Action Item to Accomplish Task	Communicate?	Start Date	End Date																		
		1. Job listing posted within 3 months																					
		2. Staff Member Hired																					
		3. Staff member onboarded to department and scheduled for applicable trainings.																					
#	Who	Task	Communicate?	Date	Date														30 Day	60 Day	90 Day	6 Months	1 Year
2	Tiffany Polychrones, LDSS Supervisors and New Hire	Hired staff member assesses family finding/kinship needs with partner localities.																					
		Action Item to Accomplish Task	Communicate?	Start Date	End Date																		
		1. Staff member engaged in standing partnership meetings																					
		2. Staff member utilizing trainings to support cases identified through partner assessments																					
#	Who	Task	Communicate?	Date	Date														30 Day	60 Day	90 Day	6 Months	1 Year
3	Tiffany Polychrones, FCDSS	Scheduled trainings to prepare and support kinship families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for																					
		Action Item to Accomplish Task	Communicate?	Start Date	End Date																		
		1. CAFF will provide at least quarterly training and monthly group opportunities to encourage retention and empowerment of kinship families.																					
		2. CAFF will include Fluvanna County DSS in training and support group opportunities																					
#	Who	Task	Communicate?	Date	Date														30 Day	60 Day	90 Day	6 Months	1 Year

4	Tiffany Polychrones and Recruitment Team	1. Targeted recruitment of foster families that are able and willing to support sibling groups of all sizes, various ages and diverse backgrounds														
		Action Item to Accomplish Task	Communicate?	Start Date	End Date											
		1. Increase the use of recruitment materials and branded swag														
		2. Increase the use of radio and marketing/advertising airtime														
#	Who	Task	Communicate?	Date	Date							30 Day	60 Day	90 Day	6 Months	1 Year
5	Tiffany Polychrones and Recruitment Team	2. Targeted recruitment of foster families that can support youth with higher acuity needs (i.e. neurodivergence, physical disabilities, moderate challenging behaviors)														
		Action Item to Accomplish Task	Communicate?	Start Date	End Date											
		1. Increase the use of recruitment materials and branded swag														
		2. Increase the use of radio and marketing/advertising airtime														
#	Who	Task	Communicate?	Date	Date							30 Day	60 Day	90 Day	6 Months	1 Year
6	Tiffany Polychrones, FCDSS	Scheduled trainings and retention groups to prepare and support resource families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.														
		Action Item to Accomplish Task	Communicate?	Start Date	End Date											
		1. CAFF will provide at least quarterly training and/or monthly group opportunities to encourage retention and empowerment of resource families.														
		2. CAFF will include Fluvanna County DSS in training and support group opportunities														

#	Who	Task	Communicate?	Date	Date							30 Day	60 Day	90 Day	6 Months	1 Year
38																
		Action Item to Accomplish Task	Communicate?	Start Date	End Date											
#	Who	Task	Communicate?	Date	Date							30 Day	60 Day	90 Day	6 Months	1 Year
39																
		Action Item to Accomplish Task	Communicate?	Start Date	End Date											
#	Who	Task	Communicate?	Date	Date							30 Day	60 Day	90 Day	6 Months	1 Year
40																
		Action Item to Accomplish Task	Communicate?	Start Date	End Date											

LEGEND

GR	Timeline for completion
G	On track
Y	Concern or behind schedule
R	Critical issue - can't move forward
B	Completion
C	Clear indicates - No action needed at this time

Task/Action Item	Audience	Key Message	Delivery Method	Person Responsible	Person Delivering	Date of Communication
<i>Add tasks/action items in this column that need to be communicated.</i>	<i>List all the audiences that need to be told about the task, action item or outcome of the task/action item</i>	<i>What the audience needs to know. Use what, when, where, why and how to help draft. There may be more than one key message.</i>	<i>letter, newsletter, email, in-person, website, press release, social media, etc.</i>	<i>Who will develop and ensure communication is delivered</i>	<i>Who is responsible for communicating the message. There may be more than one person</i>	<i>Identify when the communication should occur</i>
Hiring a staff member to be trained in and focused on Family Finding	HR, Leadership, LDSS's	What: That there is an open position in our department When: as soon as it can get through the approval process Where: It will be posted in the typical spaces city job postings are advertised. Why: will be shared to cast a wider net for applicants.	Notification to entities will be through email, it will be posted in the spaces used by city HR.	Tiffany Polychrones and other leadership	Tiffany Polychrones and other leadership	unsure- depends on grant funding
Hired staff member assesses family finding/kinship needs with partner localities.	Tiffany Polychrones, Identified LDSS liaisons	New hire will notify their supervisor and the liaisons for the LDSS's of family finding/kinship assessment results. This will be communicated within a week of assessments. This will allow the team to make a plan for what steps should occur to support kinship and family finding efforts to the LDSS's.	These notifications will happen in person and via email/reports	New hire and their supervisor	New Hire	unsure- depends on grant funding
Scheduled trainings to prepare and support kinship families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for	Tiffany Polychrones, CAFF Retention Team, Identified LDSS liaisons	Identified entities will curate a schedule of training and support opportunities that will be offered a no cost to kinship families that are caring for children in which they need more tangible assistance in parenting. This will assist in placements being longer term and more stable.	The information will be shared through monthly meetings and emails as needed to garner a more thorough list and update partners	CAFF Retention Team, CAFF Senior Team	CAFF Retention Team, CAFF Senior Team	Monthly at advisory board and LDSS partner specific meetings
Targeted recruitment of foster families that are able and willing to support sibling groups of all sizes, various ages and diverse backgrounds	Recruitment Team	A curated list of people, organizations, churches and businesses that will receive intentional outreach (tangible and verbal) about the need for families that support children in care in remaining in their sibling group and being supported no matter what their background is. This will assist in keeping children closer to their locality of origin and reduce the use of non-local homes and increase the probability of a successful return home goal/permanency goal.	The information will be shared through monthly meetings and emails as needed to garner a more thorough list and update partners	CAFF Retention Team, CAFF Senior Team	CAFF Retention Team, CAFF Senior Team	Monthly at advisory board and LDSS partner specific meetings

2. Targeted recruitment of foster families that can support youth with higher acuity needs (i.e. neurodivergence, physical disabilities, moderate challenging behaviors)	Recruitment Team	A curated list of people, organizations, churches and businesses that will receive intentional outreach (tangible and verbal) about the need for local families that support children in care that present with what are considered higher acuity needs. This will assist in keeping children closer to their locality of origin and reduce the use of non-local homes and increase the probability of a successful return home goal/permanency goal.	The information will be shared through monthly meetings and emails as needed to garner a more thorough list and update partners	CAFF Retention Team, CAFF Senior Team	CAFF Retention Team, CAFF Senior Team	Monthly at advisory board and LDSS partner specific meetings
Scheduled trainings and retention groups to prepare and support resource families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.	Tiffany Polychrones, CAFF Retention Team Identified LDSS liaisons	Identified entities will curate a schedule of training and support opportunities that will be offered a no cost to resource families that are caring for children in which they need more tangible assistance in parenting. This will assist in placements being longer term and more stable.	The information will be shared through monthly meetings and emails as needed to garner a more thorough list and update partners	CAFF Retention Team, CAFF Senior Team	CAFF Retention Team, CAFF Senior Team	Monthly at advisory board and LDSS partner specific meetings

Charter Goals	Definition of Goal	Baseline	Goal	30 day	60 day	90 day
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6 month **1 year**

Strategic Recruitment, Development, and Support (Retention) Plan

Virginia Template – 2025

Community Attention Foster Families

ATTACHMENT D

The overall goal of this plan is to help each agency develop a comprehensive recruitment and retention plan informed by local data/needs as well as known practices that promote permanence.

I. Child Data

First, the plan will ask you to gather local data regarding the children in your locality's care, their general characteristics and needs, and their current placement status. You will use this to develop "targets" – the kinds of kids for whom you most need to find families. Be sure to look at the needs of children who are in congregate care or TFCs where permanence is less likely to be achieved.

II. Family Data

Second, the plan will direct you to examine your family data to see how it meets with your current child needs, who is being utilized, and what your current true capacity is across families that are currently approved. Looking at overall number of opened/closed homes over time will also provide needed information as you move forward in the plan.

These two pieces of data—child, and family—are then put together to develop strategic recruitment and retention plans.

III. Recruitment Planning

The third section of the plan features a review of best practice strategies for three types of recruitment—general, targeted, child-specific—and offers guidelines of how to structure your recruitment campaigns. A sample recruitment strategy is included, along with a blank template for your agency to create a plan. Each activity will have a defined goal, potential partners, and a proposed timeline and budget.

IV. Retention Planning (Training, Development, and Support)

Finally, in section four, the plan asks you to look back at your family data to develop retention and support activities. This is a critical part of increasing competence in your existing families and making intentional use of support and in-service to (1) reduce disruptions and (2) increase family retention. This plan should also include the training and support needs of new families.

Timeline: (ideally, for CAFF, the below tasks will be completed before the end of our fiscal year—July)

Child Data to be completed by: 8/8/2025 Family Data to be completed by: 8/8/2025

First Recruitment Plan Draft Due: 8/14/2025 First Training/Retention Plan Draft Due: 8/14/2025

Section I: Child Data Analysis

In this section, you will be using local data to develop a better picture of the children and families in your system and to guide you in the best way to meet their needs through resource family recruitment and support efforts. Potential sources of data may include recent surveys of families, OASIS data, anecdotal data from those who do placements in your agency, etc.

A. Breakdown of Children in Care

Information is current as of 8/6/2025

Age Group	# of children (in out of home placement)	Demographic Data		Sibling Group Size and Placement	Placement Breakdown
All Ages	<p>122 # of children (in CAFF program)</p> <p>Total # of youths in CARE for 3 collaboratives: Alb- 97 Cville- 106 Greene- 40 Fluvanna- 19 Grand total: 243</p>	<p><u>51</u># Male <u>69</u># Female 2# Non-Binary</p> <p>Fluvanna: 10 male 9 female</p>	<p>44# African-American 36# Bi/Multi-Racial 39# Caucasian 2# Hispanic 1# American Indian or Alaskan Native <u> </u># Other</p> <p>Fluvanna: 3# Black 1# Multi Racial 14# Caucasian 1# Hispanic</p>	<p>60 # One child (no siblings in care) 21 # sets with 2 children 4 # sets with 3 children 0 # sets with 4+ children 4 # sibling groups <i>not placed together</i> (count sets of siblings, not individual children)</p> <p>Fluvanna: 1-sibling group of 2 (PFC and IL still living with the LDSS foster family since entering care) 1-sibling group of 2 are currently on a Trial Home Visit 1-sibling group of 2 (1- kinship placement, 1-residential) 1-Sibling group of 3 in a LDSS placement</p>	<p>37# General (unrestricted) homes 85# Child-specific (ICPC/kinship/etc.) <u> </u># TFC <u> </u># Residential/Group Home <u> </u># Other</p> <p>Fluvanna: 1 residential 4 Independent Living 2 kinship placement 3 Trial Home Visit 7 LDSS Home 1 LCRA 1 PFC</p>
Less than 1 year	9# of children	3# Male 6# Female	2# African-American 4# Bi/Multi-Racial 3# Caucasian	<u>6</u> # one child only (no siblings) <u>2</u> # placed with at least one sibling	5# General (unrestricted) homes 4# Child-specific (ICPC/kinship/etc.)

	7% of total children (# of children in age group divided by total # of children)		<input type="checkbox"/> # Hispanic <input type="checkbox"/> # Other	<input type="checkbox"/> 1 # placed with none of her/his siblings (individual children, not number of sibling sets)	<input type="checkbox"/> # TFC <input type="checkbox"/> # Residential/Group Home <input type="checkbox"/> # Other Fluvanna: 1# General (unrestricted) Home
	Fluvanna: 1	Fluvanna: 1 Male	Fluvanna: 1# Caucasian	Fluvanna: No siblings	Fluvanna: 1# General (unrestricted) Home
1 – 5 years	57# of children 47% of total children (# of children in age group divided by total # of children)	25# Male 32# Female	17# African-American 23# Bi/Multi-Racial 15# Caucasian 2# Hispanic <input type="checkbox"/> # Other Fluvanna: 4#male 3#female	<input type="checkbox"/> 30 # one child only (no siblings) <input type="checkbox"/> 27 # placed with at least one sibling <input type="checkbox"/> 1 # placed with none of her/his siblings (individual children, not number of sibling sets) Fluvanna: 2 # one child (no siblings) 4# placed with at least one sibling 1#placed with no siblings	19# General (unrestricted) homes 38# Child-specific (ICPC/kinship/etc.) <input type="checkbox"/> # TFC <input type="checkbox"/> # Residential/Group Home <input type="checkbox"/> # Other Fluvanna: 3# general (unrestricted) home 1# child specific (kinship) 3# trial home placements
6 – 9 years	22# of children 20% of total children (# of children in age group divided by total # of children)	14# Male 8# Female	8# African-American 4# Bi/Multi-Racial 12# Caucasian <input type="checkbox"/> # Hispanic <input type="checkbox"/> # Other Fluvanna: 1# Male 0# Female	<input type="checkbox"/> 6 # one child only (no siblings) <input type="checkbox"/> 14 # placed with at least one sibling <input type="checkbox"/> 2 # placed with none of her/his siblings (individual children, not number of sibling sets) Fluvanna: 1 # Child only (no siblings)	5# General (unrestricted) homes 17# Child-specific (ICPC/kinship/etc.) <input type="checkbox"/> # TFC <input type="checkbox"/> # Residential/Group Home <input type="checkbox"/> # Other Fluvanna: 1# General (unrestricted) home
10 – 12 years	9# of children 7% of total children (# of children in age group divided by total # of children)	4# Male 5# Female	4# African-American 2# Bi/Multi-Racial 2# Caucasian <input type="checkbox"/> 1 # Hispanic <input type="checkbox"/> # Other	<input type="checkbox"/> 8 # one child only (no siblings) <input type="checkbox"/> # placed with at least one sibling <input type="checkbox"/> 1 # placed with none of her/his siblings (individual children, not number of sibling sets)	4# General (unrestricted) homes 5# Child-specific (ICPC/kinship/etc.) <input type="checkbox"/> # TFC <input type="checkbox"/> # Residential/Group Home <input type="checkbox"/> # Other

	Fluvanna: 0				
13 – 15 years	6# of children 4% of total children (# of children in age group divided by total # of children)	1# Male 5# Female Fluvanna: 2	1# African-American 1# Bi/Multi-Racial 2# Caucasian 1# American Indian or Alaskan Native ___# Hispanic ___# Other Fluvanna: 2#Caucasian	___4___ # one child only (no siblings) ___1___ # placed with at least one sibling ___1___ # placed with none of her/his siblings (individual children, not number of sibling sets) Fluvanna: 1# placed with at least one sibling 1# not placed with siblings	___# General (unrestricted) homes 6# Child-specific (ICPC/kinship/etc.) ___# TFC ___# Residential/Group Home ___# Other Fluvanna: 1# General (unrestricted) homes 1# residential facility
16 – 18 years	16# of children 13% of total children (# of children in age group divided by total # of children)	6# Male 8# Female 2#Non binary Fluvanna: 5	11# African-American 1# Bi/Multi-Racial 4# Caucasian ___# Hispanic ___# Other Fluvanna: 5#Caucasian	___12___ # one child only (no siblings) ___2___ # placed with at least one sibling ___2___ # placed with none of her/his siblings (individual children, not number of sibling sets) Fluvanna: 3# one child, no sibling in care 2# placed with at least one sibling	3# General (unrestricted) homes 13# Child-specific (ICPC/kinship/etc.) ___# TFC ___# Residential/Group Home ___# Other Fluvanna: 3# General (unrestricted) homes 1# child specific (kinship)home 2# Independent Living
Age 19 and over	1# of children 1% of total children (# of children in age group divided by total # of children)	1# Male ___# Female Fluvanna: 2	1# African-American ___# Bi/Multi-Racial ___# Caucasian ___# Hispanic ___# Other Fluvanna: 2# Caucasian	___1___ # one child only (no siblings) ___ # placed with at least one sibling ___ # placed with none of her/his siblings (individual children, not number of sibling sets) Fluvanna: 1# one child (no siblings) 1# placed with at least one sibling	___# General (unrestricted) homes ___1___ # Child-specific (ICPC/kinship/etc.) ___# TFC ___# Residential/Group Home ___# Other Fluvanna: 2# Independent living/fostering futures

B. General Observations

Based on the data above, what are your general observations about your jurisdiction's child welfare population – consider not only future needs, but also the needs of your current youth who may be in more restrictive (or less permanent) placements.
 (e.g. "We see that 70% of our children are over 15." Or "Sibling groups of 3 or more are never placed together.")

- 1. Youth entering care are often in young sibling groups of one to three ranging from the ages of 1-9; often, resource nor kinship families have the ability to house the whole group. The largest population of children in the CAFF program (47%) and (37%) of youth placed through Fluvanna DSS are youth ages 1-5 years old.**
- 2. Older youth with more significant trauma histories, multiple placements and/or whom have exhibited undesirable behaviors are also challenging to find homes for. Only 4% of the youth population of CAFF and 1% of youth at Fluvanna DSS are in the age range of 13-15 years old and only 13% of the CAFF and 26% of Fluvanna population consists of 16-18 year old youth.**
- 3. Children who are in care already and in need of family placements may enter the CAFF program and Fluvanna DSS as part of sibling groups or partial sibling groups. Relative placement homes as well as the children's relatives are unable to house the entire sibling group due to lack of resources, space, time (due to employment) or even a vehicle to transport them and thus siblings are sometimes unable to be placed together, especially for relative caregivers who were unexpectedly asked to become foster parents.**

With your observations in mind, you can now create some "targets," the kinds of children/youth for whom you most need to recruit. Knowing who you are recruiting for keeps you focused, feeds your facts, and tells you what your materials need to look like – even more, it gives you a goal from which you can derive a plan.

C. Narrow Down Your Targets

Based on your observations, you can create target groups -- the key children and youth you need to recruit for, who naturally has a connection to or skills with that group, and what are the key characteristics you need to consider when recruiting. Your target can be broad – such as teenagers, sibling sets of 3+, or youth currently in group care – or narrow, such as pregnant girls who will be keeping their infants, boys ages 10-12 with younger siblings, or kids with Autism Spectrum Disorders. (It may also be useful to consider if there are any trends in CPS that you may need to keep in mind when recruiting.)

Example: Teenage boys 14+. Common characteristics of those currently in care:

- most have a mental health diagnosis (ADHD, anxiety, & PTSD are the most common)
- many are currently in group care, rather than family settings
- over half are legally available for adoption

- most have significant school needs
- criminal backgrounds are not common, but having one generally means the youth will be going straight to group care because we have zero willing families

Use the space below to create your targets!

Youth of all ages with a diagnosis of moderate autism spectrum disorder, moderate neurodivergent tendencies, or any moderate physical disabilities are challenging to find suitable homes for.

Youths (ages 1 through 9 and some older) in sibling groups of 2-3 need placement together and thus require families who feel comfortable housing them and caring for them collectively.

Youth 12 and over with any indication of undesirable behavior are hard to place. Relative homes often assist more than resource family homes, however, are leery and less likely to tolerate what they perceive as “disrespect”. Resource family homes often express discomfort around caring for teenagers due to “lack of experience” or because they teen “does not fit into birth order” with their biological children.

Section II: Family Data and Analysis

This section explores who your families are, how they have been utilized, what kinds of children they prefer/are able to care for, trends over time, etc.

A. Overall trends of families in the system over time

Year	# of Total Resource Families		# of Resource Homes Closed		# of New Resource Families	
	General	Child-Specific	General	Child-Specific	General	Child-Specific
YTD-2025	74	59	6	23	8	34
2024	73	60	11	48	13	42
2023	85	31	8	32	9	26
2022	82	44	17	41	14	19

Based upon the above resource family data, what are a few trends that stand out to you?

(e.g. "Every year for the last three years we have approved more relative/child-specific homes but fewer general resource families.)

In the last few years, we have doubled our numbers of kinship family approvals; however, the numbers for resource family approvals have remained relatively the same. In 2022, we had a boost in resource family approvals likely due to restrictions of COVID being lifted.

If you are closing more homes than you open, what are the most common reasons for closing (such as family adopted and cannot care for more children, family requested to be closed because dissatisfied, agency closed family for lack of compliance, etc.)?

The majority of resource families who decide to close do so because they have adopted children or have had their own children, and they feel they are at capacity in caregiving or space in their homes.

B. SAMPLE Review and Instructions: Utilization of currently approved families

This review helps ensure the accuracy of information about families for use, identifies foster/adoptive families who can no longer be used, identify placement resources that have been unused but that could be available, and identify possible placements for children being “stepped down” from institutional care.

For “Recommended Capacity,” indicate the ***realistic maximum number*** of children that you recommend could be cared for by the family – either in general, or at this time (if there are specifics to the recommendation regarding age, ethnicity, gender, etc., please note). This number may be different from the number for which the home is *approved*.

C. TEMPLATE: Utilization of currently approved familiesDATE LAST UPDATED: 8/15/25PERSON COMPLETING INFORMATION: Tiffany PPage 1 of 7

(add pages as needed)

Resource Family or Individual Name	Initial Approval Date:	Last Placement (In or Out)	Available space/ Capacity	Gender	Age Range	Placement Comments	Special Skills?	Declined requests?	What is needed for usage?
Amegashie, Diana and Dunu, Alfred	5/21/2014	2/6/2025	2 of 3	Female	13 to 18	For placement & respite up to 2, 13 years old, prefer female but will discuss male and also will discuss Sibling group. No significant behaviors (i.e. aggression) or supervision needs. 2 bedrooms available with queen size mattresses in each. Must attend Albemarle County schools (i.e. Stone Robison, Burley Middle, or Monticello High School) as family is unable to transport to schools outside of their area at this time. Age 10 years and older. Diana works every other weekend.	patient acceptance for teenagers and challenging behaviors	multiple youths	largest challenges for sibling groups is supervision due to Su's work schedule.
Atkins, Kathryn and Ian	6/18/25		1	either	0-5	They are willing to consider sibling groups but would prefer a baby/ young child.	have adopted a youth through foster care before- was a safe haven baby	"new" so they have not been turned down yet	Education about behaviors and attachment

Barrow, Melissa and Thomas	Initial app: 2/19/2020	1/12/2024	1 of 2	Either	0 to 7	The Barrows are willing to take 1 - 2 children under the age of 5yo. They are also willing to take a drug exposed or medically fragile infant, including during the current pandemic. They are also willing to take a kiddo for respite within the same parameters. Melissa is a stay-at-home parent, and her husband seems very flexible.	complex needs, currently fostering a youth with intensive needs knowledge of medical needs	currently feeling stressed with the youth, they are fostering and their biological children	more natural and regular support
Benson, Heather and Benson Jr., Donald	3/22/21	6/26/2024	1 of 2	Either	0 to 5	Preference for working with medically fragile children both long-term and respite care; have experience with feeding tubes and other medical devices. Placement: 0-5yo; take case-by-case based on needs; open to conversations. Respite Only: available for older youth depending on needs. Heather and Donald are open to working with children with a variety of issues but are currently unwilling to work with children who are cruel to animals, juvenile sex offender, or fire setter. Due to the number of available bedrooms, Heather and Donald can only foster same sex sibling groups.	Flexible schedule willing to work with some special medical needs	had a rough experience with teenagers; have turned down older youth more recently- can be rigid	increase parenting skills and in assist in developing self-care/ expanding bandwidth
Beyer, Anne and Turner, Dennis	9/25/23	2/16/2024	3 of 4	Either	0 to 3	Anne and Erich would like to foster one child under three. They are open to considering a sibling group after they gain some experience. Anne and Erich are open to expanding their profile once they gain more parenting experience and are confident that in time, they will also be open to doing respite for children of any age.	mostly stay at home willing to consider sibling groups-never parented until now with the youth currently placed in their home	youth over 3 and sibling groups	increase parenting skills and in assist in developing self-care/ expanding their profile and understanding of older youth's needs
Bischof, Angela and Stephen	1/17/24	12/2/2024	2 of 3	Either	0 to 3	Family wants a child between the ages of 5 and 10. Would prefer a boy. Family prefers children that do not need daycare/childcare. Mom is a stay-at-home mom and their son is homeschooled.	experience supporting youth with medical needs and disabilities	youth that they don't feel would get along with their older child. also, they have a new baby- so time to settle	support in self-care and boundaries/

Brown, Shondail	6/21/23	2/12/2024	2 of 3	Either	0 to 18	Shondail is mostly wanting to foster Black children. She has one queen bed available but would be willing to get bunk beds to accommodate a same-sex sibling group.	cultural competency for youth identifying as AA. Flexible schedule	multiple youth due to lack of space and she's a single woman	financial education and housing stability; education around behaviors of youth from hard places
Burden, Susan and Newberg, William	6/21/23	8/28/2024	1 or 2	Either	0 to 4	Susan and Bill would like to foster two children between the ages of 1-4 years old pre-school and younger) They are open to considering a sibling group of two children with some flexibility in age, if one sibling is slightly older. They have one bedroom available and could accommodate a same sex sibling group. Room includes 2 beds and 2 cribs.	they are retired; live in Greene county and are able to stay home with babies/ non-school aged youth	not interested in youth with significant needs or any youth old enough for school	better understanding of child development with exposure to trauma. Assessment of motivation and recalibration of expectations around fostering-finding homes for YOUTH not for their preferences
Carter, Sarah and DeVarion	2/9/24	6/24/24-current	1	either	any	Currently fostering a sibling group of 3. They are	extremely knowledgeable and skilled in caring for children with complex needs and	currently they have a sibling group of three and their own 3 children- their home and vehicles are full	Ongoing learning about adolescent development may be helpful
Coley-Whalen, Tiffanie and Whalen, Jovohn	1/01/2006	8/8/2025	1 of 3	Either	0 to 3	The Whalens are an experienced foster family and have space for 3-4 children at this time though they would prefer to foster one child. They would be open to a child 0-3 (non-school aged) of either sex. There are six other children in their home, ages 9-22yo. Prefer to only be called for placements.	experience with all aged youth of varying cultures and ethnicities	at this point- the Whales have a large number of youth in their home- biological, adopted and two foster youth. They are limited on space	Meshing youth with challenges in their home/ how to support all needs.
Coyne, Bethany and Barcia, John	12/20/2016	2/20/2025	2 of 4	Either	0 to 10	Open to foster or provide respite for child(ren) 0-10yo. Have space for a sibling group of 3 or 4 for respite. Open to 1-2 children for long-term placement.	Experience with medical issues	Older youth, large sibling groups- (they already have twin infants with medical needs)	Unsure- but always can benefit from cultural humility/ child development/ behaviors
Feggans, Ingrid	4/7/22	6/17/2025	2 of 3	Either	2 to 14	Single child of either gender, school aged to 18. Her preference is higher functioning tween/teens who can attend school. is open to respite for children and sibling groups 4-18 of any gender or race.	long-time foster parent with experience and willingness to work with teens	young children are more challenging for her as they have more personal care needs	parenting strategies and support for teen development

Gibbs, Diane and Delarm, Megan Meg	10/22/2020	8/13/2023	1 of 2, Prefers max 3	Either	0 to 21, Prefers 0 to 2	Able to foster one child 0-2. They have space to foster 1 child for a long-term placement. They will need daycare. Open to any age for respite	family is welcoming to LGBTQIA youth and have experience with challenging behaviors	currently are having a challenging time with oldest son they adopted- difficult behaviors so they've been hesitant to take on any other youth right now	push towards older youth- parenting strategies and education on adolescent development
Gordon, Kristen-Paige and Chris	2/25/25		1 or sibling group of 2	Either	0 to 3	Kristen-Paige and Chris are best prepared to meet the needs of child in foster care who are under the age of three. No Sibling groups. They do not have a preference in gender but could accommodate a male child more easily	have parented before- foster mom works from home and has a flexible schedule	Newly approved and timid- have said no due to vacation plans and youth slightly outside of their age range	developmental trainings- normalizing behaviors, and strategies to work through those
Holden, Erin and Michael	6/18/25		prefer 1- but open to sibling group of 2	Either	0 to 4	The Holdens would like to keep birth order and work with children who are below school age. They are open to sibling groups, however, only have one available bedroom and a small home.	Teachers and speak some foreign languages; to include conversational Spanish	Newly approved- may say no to kids out of their age range	push towards accepting LGBTQIA+ youth/ all youth have the propensity to identify differently
Johnson, Taylor	10/30/24	12/2/24 6/6/24 to current	1 to 2 youth	either- more comfortable with females	2	Taylor is a mother and is currently foster two youths- one teen and one younger child.	Taylor is knowledgeable and understands the complex behaviors and needs that may come up.	Her home is full at the moment as she's fostering two youth	Ongoing trainings on adolescent development and attachment injuries
Kehoe, Rebecca and Jason	2/19/25	3/21/2025	1 of 4	Either	0 to 8	The Kehoe's are interested in fostering children of any gender birth through seven or 8. Are willing to take older children if they are part of a sibling group. Are open to sibling groups, however, have not parented before. They have alternating work schedules such that a parent is always home currently.	medical training and ability to care for child with needs	They are newly approved and already have a sibling set of 3 living in their home	child development/ behavioral support and education
Lefcourt, Melissa	2/19/2025	2/27/25	1	either	2	Melissa has personal experience with adoption and has fostered and adopted through another agency.	She's an excellent child advocate and understanding neurodivergence. Great with biological parent connection.	She's a single foster mother and has two small children	Build comfortability around child and adolescent development- explore broadening her profile

Leytham, Emily	11/15/23	6/9/2024 to current	3 of 4	Either	0 to 18	Emily is a single parent living in Charlottesville, just behind CHS. She is able to transport to several nearby schools. She works for UVA and can adjust her schedule as needed to get children to school or appointments. Her preference is for children 4-18, but she is open to younger children. She has space for up to 4 children and is willing to work with sibling groups.	Willingness to work with teens and passion for helping others	She may so no if she feels another child may upset the youth she's presently fostering	attachment and trauma-based interventions
Luck, Emily and Steven	9/18/19	6/6/2025	1 of 1	Either	0 to 10	Emily and Steven would like to foster one child under 10 yrs old. They would prefer a child who is school age. They are willing to consider respite for kids of any age and can provide respite for a sibling group of 2. Would consider a pregnant teen or teen parent who needs a shorter term placement.	Willingness to work with teens and passion for helping on short term/ to month long placements	children that won't fit into their household well given their current family construct	behavioral interventions and responding to challenging attachment injury related behaviors
McDonald, Breanna and Stephen	7/16/2025		prefer 1- but open to sibling group of 2	Either	0 to 5	Breanna and Stephen would like to keep the birth order of their biological children and stated they feel comfortable fostering children under the age of five. They are willing to consider sibling groups of two. They are open to either gender and, any race.	have parented before and are eager to help	Newly approved- have not been asked about many youth, however, their profile is a bit limited	Education about development of youth from hard places; suggestions on how to parent challenging behaviors
Nuss, Hannah and Joshua	9/18/2024	3/12/2025 to current	Would most easily help with one child	Either	0 to 7	Open to children birth to age 6/7. Willing to consider sibling groups.	solid parenting experience and foster/ adoptive experience- large # of kids in their biological family and helpful support network	have said no to what they perceive as challenging behaviors sets	tips about parenting from a trauma lens and helpful recommendations
Oakley, Melissa and Thomas	11/18/2020	6/12/2025 to current	1 of 2	Either	0 to 8	Open to a child 8 yrs and under for placement and respite. Have one BR available with twin bed, crib and a versatile trundle bed that can turn into a queen bed. Preference for fostering one child. Do not have a vehicle that could transport more than 5 people at one time. Family lives in Greene County.	parenting and educational background	They are firm on staying within their profile due to busy work and life schedules- don't want to over commit	TBRI or other supportive trainings can be helpful in bolstering confidence.

Parker, Christina and George	5/15/2019	12/7/2024	1 of 2	Either	0 to 5	They can accommodate an infant (6 months and under) due to only having space for a crib in their bedroom. Preference for short-term/emergency placement.	Teaching background, strong faith and lots of FC experience	Only due to space and bandwidth	self-care and tangible supports around behavioral challenges
Parks, Cheryl and Stephen	8/25/2010	6/12/2025	1 baby-preferably	Either	0 to 2	For placements, the Parks are available for 1 or 2 kids, ages 0-2. For respite, they may be more flexible but it will just depend on the needs of the kids.	foster parent co-trainer and years of experience as a social worker and foster/adoptive mother	they are not super interested in long term placements of active youth-space may also be a factor.	supportive interventions and trainings to include helpful suggestions around development and behavior
Reaves, Sharon	10/19/2022	6/17/2024	1 child	Either	6 to 8	Interested in fostering one child between 6-8yo. She prefers school aged children as she works fulltime and is concerned about being a single parent	compassionate and caring; yet can be firm and stern when needed	Single woman with full-time job. She's already fostering one child and has no other space for more	Child development education could ease her mind and provide support
Reifsnyder, Claire and O'Malley, Peter	1/16/2029	1/30/2019	1 child	Either	0 to 8	Family is most comfortable accepting placement of a child ages 0-8. Seem prepared to manage mild to moderate emotional/behavioral needs.	have knowledge of youth and parenting	really only want to continue to foster the child that's been with them for 5 years.	unsure if anything will bring them along to foster more youth; education about child and adolescent development for youth from tough places/ and attachment can be helpful.
Schmidt, Rebecca and Cunningham, Eamon	7/19/17	2/1/2022	1 child	Either	0 to 3	Rebecca and Eamon are unable to have children and adopted Ana and Tali. They are open to kids younger than their children due to attachment injuries. k. He has a more flexible work schedule. They do not have any pets.	parenting , biological parent engagement, medical knowledge – very helpful to the organization and other foster families	no to most- they have 3 kids in their home- two they've adopted	refreshers on trainings
Smith, Jennifer and Dallas	1/18/17	3/18/2025	1 child	Either	0 to 18	Placement profile: prefer 4-15yo. but willing to take a younger/older child if a part of a sibling group. Very interested in working with sibling groups. NO TEEN GIRLS. Respite profile: 0-18yo. Fairly conservative family with 2 teenage boys in the home.	desire to assist- and strength in fostering	currently fostering two boys- at their bandwidth	trainings that provide support offer tangible support and tips on navigating behavior

Villalobos, Nicole and Daniel	12/18/24	3/13/2025	1 child or small sibling group	Either	0 to 3	The Villalobos would like to foster a child or sibling group 0-3 years old. They can accommodate a sibling group of two. Open to children with anxiety, depression, ADHD/ADD.	passion to help out and care for youth- Foster mother has flexible schedules	no to older youth	comfortability around development , behavior and meshing other kids with theirs
Welch, Katherine and Devin	7/20/2022	10/18/2024	1	Either	0 to 3	Alex and Devin would like to foster one child under the age of 3yo. They are very adamant that their son always be the oldest child in the home and that birth order is maintained	Helpful with younger children	no to children older than their son	helping them consider youth outside of birth order/ child development/ education around attachment
Whittington, Matthew and Lauren	1/15/20	11/26/2024	1 child	Either	0 to 7	Lauren and Matt are interested in fostering one child of either gender under the age of 7yo. For respite they have bed space available for a sibling group of two but prefer to only have one child at a time.. Respite: up to two children, 0-12yo; open to discuss respite. Open to providing an emergency, short-term placement for older kids.	have experience fostering youth of various ages	they have said to youth older than their daughter	helping them consider youth outside of birth order/ child development/ education around attachment
Woodson, Marquell	8/16/23	4/25/2025	1	Either	0 to 11	Marquell is open to one child of either gender, ages 0-11 for placement. He will consider a sibling group within that same age range. He would prefer a child who attends Charlottesville or Albemarle County schools as he works at Journey Middle school, behind AHS. Has not parented but has taught and mentored children for many years. Open to LGBTQ+ children	teaching background, calm and mild	often says no because of busy schedule or worries about the needs of youth	interventional training and tangible techniques may be helpful
Yost, Hannah	11/21/18	2/16/2025	1 of 3	Either	0 to 7	0-5 years old; preference for younger than school age. 1-2 children; 1 bedroom available so siblings would need to be same sex.	experience with sibling groups; great collaboration with birth parents	single parent- only says no when she's already fostering two youth	Developmental trainings/thoughts of pushing her towards older youth

Unlisted:

19 Families who have requested to be on hold for various reasons such as surgeries, sick family members, childbirth, etc.

20 Families listed as respite only.

Section III: Recruitment Planning

C. TEMPLATE: Strategic Recruitment Plan

Recruitment Plan for 2025-2026- CAFFLast updated: 8/15/2025By: Tiffany P

Targeted groups	Who is likely to connect with this group?	Where do we find such people?	Specific Places and Contacts	Our Recruiting Partners and Connections	Planned Activity and Timeline When/how often will event take place?	Cost / Budget
Sibling groups of 2-3 needing placement together	Large families with older children whom understand sibling connections & how to care for a larger # of children Early intervention providers and preschool/elementary school teachers	Church groups Schools Early learning centers	CAFF has a list of local churches from another venture Local schools can be researched- to include the name of the best contact. Local daycare's can be found online and on the VDSS website	CAFF resource parents (ask which churches and who the contact folks are) CAFF to utilize online tactics to capture all of the schools and daycares in Albemarle, Charlottesville, Greene and Fluvanna.	In addition to monthly information sessions, CAFF will reach out to local schools via their principals so ask about sending mailers AND if they'd be okay with one of us providing an in-service presentation to their school (between Sept- Nov and again in April for Child Abuse awareness) Staff could give Car magnets to staff and resource families to provide subliminal messaging/ airtime (December) Church Mailers and asks to speak to congregations in May- July (Foster Care awareness month)	\$100 mailers \$100 staff gas \$ 450 for 25 car magnets \$150 -200 (Flyers/ mailers/ postage)
Youth's with diagnosis of autism or severe medical health needs/ neurodivergences	Teachers Those experienced with Autism-VIA Doctors/ Nurses/ therapists- Those in the medical field	Teachers throughout the service regions we support- Green, Charlottesville, Albemarle and Fluvanna. Doctors/ Nurses/ therapists- Those in the medical field	Schools in Greene, Albemarle, Charlottesville and Fluvanna Co's Pediatric offices/ dentist offices/	Foster care liaisons- Jody Murphy/ Kevin Kirst and resource parents working in the school system or connect through staff's children (teachers/ etc.)	February-March: Flyers, emails to share (with work groups willing to hear from CAFF) Visits to schools with flyers in hand	Captured above Radio advertisements – Cville radio group and WNRN- \$530

	Family members who do not wish to see youth struggle		hospitals/ physical therapy offices/ etc.	Stephanie McNerny- UVA Alexis Tew- therapy office (PT, OT, Speech) Connections through Piedmont Peds/ Pediatric Associates/ Charlottesville Dentistry/ etc.	Emails and mailers to doctor/ dental offices- again with an ask if they'd be willing to host a private information session with refreshments (provided by CAFF)	(Cville radio) and \$150 for WNRN) per month Total for Cville: 6,360 Total for WNRN: 1800 Refreshments for any in person info sessions: \$100-450 (\$75 per session) \$150 for staff gas/ travel
Youth 12 and over with any indication of undesirable behavior are hard to place	Families who have parented teens Highschool teachers/ coaches/ athletic directors/ extracurricular teachers (band, choir, drama) at high schools	Highschool parents, parents who have youth on sports teams, teachers and athletic directors, athletic event attendees, band/ choir/ drama parents/ staff/ and audience	High school principals/ staff/ athletic dept. (director/ coaches)/ drama dept/ band/ choir/ etc.	Contacts will need to be made- CAFF staff- personal contacts; and create a list of heads of programs	Advertisements and visual presence on event programs/ rosters/ billboards/ banners (will likely require sponsorship- BREAKDOWN: Football season usually August through November (pep/ marching band and football—any other fall sport will see the football banner) Theater (for CHS/ AHS—maybe others)—when performances occur (elect 1 to 2x a year)	usually (\$300-\$500) to place an advertisement via sponsorship- thus (\$600-1000 needed - select 2 high schools) Select 1-2 School drama departments to sponsor and place advertisements (\$250-\$500) thus (\$1000

					<p>Marching Band, Concert Band, Jazz Band- Tiffany to contact band directors to understand best attended events</p>	Select 1-2 high school band departments to sponsor and place advertisements (\$250-500) Thus potentially up to \$1000)
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Section IV: Family Development, Training, and Support (Retention)

Having the development, training, and support needs of families *in your plans before they enter pre-service* ensures that the groups you are targeting will gain additional skills & minimize disruptions/system-caused trauma to children and youth). This plan also allows you to consider current families who may need to increase their skills in order to remain active and meet the needs of the children the agency's custody.

B. TEMPLATE: Strategic Retention Plan

Last updated: _____ 8/13/2025 _____ By: _____ Tiffany P _____

Targeted skill set and competencies	Which families need this training and support?	List options: Specific speakers, online courses, videos, etc.	Activity Details What is the activity? When will it occur? Where will it be?	Budget What is needed and how much will it cost?	Tasks and Timeline What steps must occur, who is responsible for each step, and what is the timeframe?
Understanding Neurodivergent tendencies and diagnoses in youth; how to best support them	All families- Resource and Kinship To include Fluvanna DSS Families Staff (in order to best assist families in caring for this population)	Shonnet Brand from Blue Ridge Behavioral Consortium to provide a presentation on Neurodivergency - education and support Compassionate Care Giving 1.5 hours	Fall 2025 – Virtual Webinar (recording will be taken)	\$250-500	Tiffany from CAFF: Discuss and Finalize details with Shonnet Collaborate with local agencies (CASA, CDSS, GREENE, ACDSS, and Fluvanna DSS) to encourage their staff to attend. Create zoom registration link, flyer and share with partners and families Submit invoice for payment to Shonnet Create recording link to be saved to Training Menu for future use Attendance is documented in family files

Fall Festival for enjoyment, connectedness , and appreciation as well as an opportunity for birth families to join and share in the experience	All Families (kinship, resource and birth families) To include Fluvanna DSS Families	Partnership with the Church of Latter-day Saints- Youth leadership to provide fun games and experiences for our youth & families	Fall Festival Location – Charlottesville- TBD Mid -October Carnival type events (gym class/ school carnival style) Snacks, cupcakes or sweet and beverages	If we rent a space it can cost: \$150-200 (may find free space) Snacks, Drinks, pizza, paper plates: \$450 Supplies for games: \$0-100 (church may donate)	Tiffany (CAFF) to meet with Depaul (Jennifer Anderson) and Church rep. (Kari Hardy) and others to discuss plans and create tasks around what was decided Once plans are finalized- create a registration list (for RSVPs) to be distributed to CAFF families, LDSS's (to include Fluvanna) and DePaul Family Services as their families are being included this year Create and distribute a flyer along with the registration list (invitations also extended to other TFC's and local foster care related agencies) Purchase snacks, beverages and pizza. Week of: Collect materials and tabling items needed. On the day- arrive early to set up, staff the event, and clean up
CAFF Connections	Offered to all kinship and	CAFF staff to provide a space for families to collaborate, share	Once per month- typically the 3 rd Thursday. Every other	Food and beverages bimonthly: \$350	Staff collaborate in July on dates and who will be available. Calendar invites are created and registration

and support groups	resource parents	stories, needs and supports	month is in person; every other month is virtual (to be equitable to kinship families who live further away)	links are made on ZOOM for the virtual meeting dates. 2.5 weeks prior to in-person events, childcare is assigned to willing staff members. Reminders are sent via email for both groups- a registration link is sent for the virtual groups RSVP emails and reminders are sent to folks For in person groups- food is purchased the night before and day of. Just before arrival the food and space is set up for families to attend and clean up/ break down happens afterwards Fluvanna DSS/ their families will be included in the invitations. Attendance is documented in parent files and follow up is sent to case managers if necessary **a new potential collaboration is occurring with a church group for in person meetings** piloting soon- TBD on ongoing change
To include Fluvanna DSS families				

Let's Talk about Race OR Do the Work Group-transracial foster and adoption/ cultural humility/etc.	All families- however, most specifically those who are currently fostering transracially	Currently Meredith, Charlsie and foster parent co-trainers who facilitate a curriculum	Begins Fall and extends for a series of months- a virtual program with one in person meeting	Food for final session: \$300 Curriculum/ materials: \$200 Foster parent co-trainers receive compensation: \$50 per session (totaling \$600)	<p>Charlsie and Meredith gather with Foster parent co-trainers to discuss curriculum and schedule.</p> <p>A flyer is created and sent via email and in CAFF's private Facebook group -- All foster families are invited (with a caveat that they need to commit to attend all sessions); Specific families are discussed and personally asked to attend</p> <p>Attendance is documented in their file</p> <p>Will be offered to resource and kinship families at Fluvanna DSS</p>
Holiday Party for Families for connectedness , enjoyment, and togetherness	Kinship and Resource families	CAFF Staff to prepare a location to serve dinner and provide activity to families	One evening (typically 5-7:30 or 5:30-8) on the Second week in December- likely at Carver Rec Center, dinner is served, photo space is made, activities and crafts are available for youth and a catered meal is provided	Catered meal and dessert: \$3000-3500 (around 200 people) Crafts and materials: \$300 Foster parent gifts: \$300 (has been a make your own	<p>Tiffany gathers interested staff members to plan and divvy tasks.</p> <p>Location is selected</p> <p>Caterer arrangements are made</p> <p>Supply lists are created; supplies are gathered or purchased.</p>

				cookie jar type thing) *FUNDING VIA GRANT NOT REQUESTED	ATTACHMENT D Once plans are finalized- create a registration list (for RSVPs) to be distributed to CAFF families, LDSS's (to include Fluvanna) All arrangements with partnering parties are made; all staff are informed of their roles Day of- staff set up the space beforehand; CAFF staff support families, serve food, and assist with activities. After the event, items are broken down, the area is cleaned.
Understanding behaviors and needs resulting from trauma and how best to care for youth from hard places	All families and staff (kinship/ resource) and staff to include LDSS partners and Fluvanna	CAFF	Extremely dependent upon receiving this grant funding, however, tentatively planning for the first iteration of training this Spring (April or May of 2026).	First iteration: Total for selected staff from CAFF (18 need training total-however only a few will be selected initially) and reserve slots for 1 of 3 staff at Greene, 3 of 6 staff	Tiffany has held conversation with the Phoenix Collaborative- if monies are awarded- staff and foster parents can be trained at \$225 per person for a 24hour training to learn TBRI basic functioning but NOT be trained to train. If 2 staff members are unable to take the train the trainer course in time to provide training this fiscal year, CAFF will inquire with Phoenix Collaborative.

(utilizing TBRI training)			<p>It is a large time commitment- around 16 hours</p>	<p>at Charlottesville, Albemarle has been trained, and 1 of 3 staff at Fluvanna</p> <p>$\\$225 \times 10 \text{ staff members} = \\2250 (for first round of staff)</p> <p>Reserving 10-15 “slots” for targeted families who are identified to largely benefit from this training and assistance in supporting the youth in their home</p> <p>$\\$225 \times 10 \text{ or } 15 =$ $\\$2250 - \\3375</p>	<p>Dates and times for the training will be discussed with the staff member to be trained.</p> <p>Staff to be trained will be notified of the train the trainer dates and times.</p> <p>Once Staff is trained, calendar invites will be sent to ensure family attendance.</p> <p>Staff from the three current collaboratives and Fluvanna will be asked to share any families who may be good candidates for this training and support.</p>
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				<p>TOTAL for first iteration if we are unable to send staff members for the train the trainer course in time to provide training this calendar year.</p> <p>\$4,500-5,625</p> <p>2nd iteration (OR if we are able to send 2 staff members to be trained as trainers):</p> <p>2 staff members to be trained as trainers- \$3,500 each- \$7,000 total; from there CAFF can continue to train staff and foster families ongoing at no charge on a regular</p>	
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				basis. ** this does not include travel expenses	
Child Development with emphasis on: Impact of FASD and Trauma Development and behaviors/ curiosities Adolescent development and sexuality Emphasis on: .LGBTQIA knowledge, information and support	All families and staff— kinship families (to include Fluvanna)	Request a free training from UVA – Multicultural Student Services Inservice from Child Development experts/ investigate UVA Professor OR CAFF may re-engage Barb Clark (Trainer from National Council For Adoption) regarding FASD and development	Target for virtual Training in the Spring of 2026 If CAFF is able to obtain the free Safe Space training from UVA; we will work to schedule another trainer (specialist in child development and/or Barb Clark) Potentially two virtual training options for Families	Compensation for trainers: (if free- CAFF donates \$100-250) If cost associated to compensate trainers: \$2500-\$3000 (Barb Clark's previous rates)	Tiffany to reach out the UVA Multicultural Center to ask about scheduling a training in the Spring (or best availability). - Collaborate with UVA to seek out the best to contact at UVA regarding child development specialists who may provide a training for foster families and staff (ask Stephanie McNerney, Carissa Temerson, -Contact Barb Clark to collaborate on training to meet the need of supporting and educating our families on all parts of development/ FASD/ and trauma (CAFF still has a recording of the “Trying Differently Rather than Harder” behavior-based training she provided -Flyers and invitations will be created and sent out to all families, staff, LDSS’s partners (to include Fluvanna and their families)

Spring Gathering for Families for connectedness, enjoyment, and togetherness And in correlation with Foster Care Awareness and Appreciation Month	Kinship and Resource families/ Foster Care staff as well to include Fluvanna DSS families and staff	CAFF Staff to prepare a location to serve dinner and provide activity to families; typically, a local/ centralized city park	One evening (typically 5-7:30 or 5:30-8) on the Second week in May (May 2026)- at a local park with shelters- dinner is served, photo space is made, activities and crafts are available for youth and a catered meal is provided	Catered meal and dessert: \$3000-3500 (around 200 people) Crafts and materials: \$300	<p>Tiffany gathers interested staff members to plan and divvy tasks.</p> <p>Location is selected</p> <p>Caterer arrangements are made</p> <p>Supply lists are created; supplies are gathered or purchased.</p> <p>Once plans are finalized- create a registration list (for RSVPs) to be distributed to CAFF families, LDSS's (to include Fluvanna)</p> <p>All arrangements with partnering parties are made; all staff are informed of their roles</p> <p>Day of- staff set up the space beforehand; CAFF staff support families, serve food, and assist with activities.</p> <p>After the event, items are broken down, the area is cleaned.</p>
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Project R.E.A.C.H. (Relatives Empowered and Actively Creating Homes) Evaluation Plan Template

[August 15, 2025]

R.E.A.C.H. Evaluation Plan

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R.E.A.C.H. Evaluation Plan

PROJECT SNAPSHOT

Project Snapshot	
Vision: To support our collaborative partners in finding relative family homes for children experiencing foster care, with immediacy and persistence.	
Strategic Objectives	Key Initiatives (6-18 month activities)
Project Goal 1: Increased number of children in kinship family home in our partner localities	
1. Hiring a staff member to be trained in and focused on Family Finding.	<ol style="list-style-type: none"> 1. Creating job description that is encompassing of necessary tasks and duties. 2. Posting open position broadly to capture a diverse applicant pool 3. Complete interviewing and selection process to hire the most appropriate and capable candidate. 4. Staff member onboarded to department and oriented to partner agencies and role. 5. Trained in evidence-based Family Finding and Kinship support curriculums.
2. Hired staff member assesses family finding/kinship needs with partner localities.	<ol style="list-style-type: none"> 1. Staff member will begin to engage in standing partnership meetings with localities 2. Staff will set up additional meetings with partner localities to ensure assessments are complete and data around specific needs is collected 3. Staff will begin to utilize trainings to support specifically identified cases of local partner agencies.
3. Scheduled trainings to prepare and support kinship families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.	<ol style="list-style-type: none"> 1. Utilizing with more fidelity current trainings in cultural humility, gender identity acceptance, and foundations and racial implications in foster care 2. Expanding training options to include but not limited to, challenging behaviors, child development, neurodivergences, and supporting children with special needs 3. Expanding our training reach by including Fluvanna County DSS staff and families in scheduled training offerings and current foster family retention groups

R.E.A.C.H. Evaluation Plan

Project Goal 2: Increase recruitment and retention of resource families that can support the children and families our partner localities encounter.	
1.Targeted recruitment of foster families that are able and willing to support sibling groups of all sizes, various ages and diverse backgrounds	<ol style="list-style-type: none"> 1. Utilizing new and current community connections to engage targeted groups in information sessions to provide information about our agency, foster care in this area and open conversation about how they can be a support. 2. Increase the use of recruitment materials and branded swag to bring more intentional attention to our agency from individuals who are most likely to connect with the groups and demographics of children we are looking to support.
2.Targeted recruitment of foster families that can support youth with higher acuity needs (i.e. neurodivergence, physical disabilities, moderate challenging behaviors)	<ol style="list-style-type: none"> 1. Utilizing new and current community connections to engage targeted groups in information sessions to provide information about our agency, foster care in this area and open conversation about how they can be a support. 2. Increase the use of recruitment materials and branded swag to bring more intentional attention to our agency from individuals who are most likely to connect with the groups and demographics of children we are looking to support.
3.Scheduled trainings and retention groups to prepare and support resource families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.	<ol style="list-style-type: none"> 1. Utilizing with more fidelity current trainings in cultural humility, gender identity acceptance, and foundations and racial implications in foster care 2. Expanding training options to include but not limited to, challenging behaviors, child development, neurodivergences, and supporting children with special needs 3. Expanding our training reach by including Fluvanna County DSS staff and families in scheduled training offerings and current foster family retention groups

PLAN TO MEASURE AND REPORT KEY DATA

Strategic Objectives	What				When	Who
	Output or Outcome Measure Description	Target	Measure Definition	Data Collection Method	Data Collection Frequency	Person Responsible for Data Gathering
Project Goal 1: Increased number of children in kinship family home in our partner localities						
1. Hiring a staff member to be trained in and focused on Family Finding.	1. Job listing posted within 3 months	December 31, 2025	Job listing will be posted in various spaces to receive applications	Check list	Collected once, check for completion	Tiffany Polychrones
	2. Staff Member Hired	March 31, 2026	Best and most suited applicant chosen and accepted position. Start date in place.	Check list	Collected once, check for completion	Tiffany Polychrones and hiring panel
	3. Staff member onboarded to department and scheduled for applicable trainings.	May 31, 2026	Staff member completed basic department onboarding trainings. Trainings for Family Finding and other relevant trainings will be scheduled	Check list	Collected one, check for completion	Tiffany Polychrones and new hire
2. Hired staff member assesses family finding/kinship	1. Staff member engaged in standing partnership meetings	April 30, 2025	Staff member present and involved in monthly	Check list	Collected monthly, checked off for completion or	Tiffany Polychrones and new hire

R.E.A.C.H. Evaluation Plan

needs with partner localities.			partnership meetings		explanation of needed rescheduling	
	2. Staff member utilizing trainings to support cases identified through partner assessments	July 31, 2026	Staff member has one identified case per locality to support with family finding efforts	Spreadsheet	Collected monthly, Documentation of needs and progress tracked through, contact notes reports and spreadsheets	Tiffany Polychrones, partner locality supervisor (advisory board member)
3. Scheduled trainings to prepare and support kinship families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.	1. CAFF will provide at least quarterly training and monthly group opportunities to encourage retention and empowerment of kinship families.	November 31, 2025	CAFF will have various trainings scheduled for families to address their needs and provide necessary support.	Brief report	Collected Quarterly, list of groups and brief description of group intention	Tiffany Polychrones
	2. CAFF will include Fluvanna County DSS in training and support group opportunities	November 31, 2025	CAFF will have various trainings scheduled for families to address their needs and provide necessary support and will extend these offerings to FCDSS	Brief report	Collected Quarterly, list of groups and brief description of group intention and number of FCDSS families and/or staff that attended	Tiffany Polychrones/FCDSS Staff

R.E.A.C.H. Evaluation Plan

Project Goal 2: Increase recruitment and retention of resource families that can support the children and families our partner localities encounter.						
1. Targeted recruitment of foster families that are able and willing to support sibling groups of all sizes, various ages and diverse backgrounds	1. Increase the use of recruitment materials and branded swag 2. Increase the use of radio and marketing/advertising airtime	January 1, 2026 January 1, 2026	CAFF will create new branded materials to use strategically in the community and surrounding areas to promote becoming a foster parent and information sessions. CAFF will increase the frequency of advertisement via radio and internet to promote information sessions and encourage recruitment of foster families	Brief report Brief report	Collected quarterly, a list of recruitment materials utilized and how Collected quarterly, a list of recruitment advertisement means utilized, how and with what frequency	Tiffany Polychrones/ recruitment team Tiffany Polychrones/ recruitment team
2. Targeted recruitment of foster families that can support youth with higher acuity needs (i.e.	1. Increase the use of recruitment materials and branded swag	January 1, 2026	CAFF will create new branded materials to use strategically in the	Brief report	Collected quarterly, a list of recruitment materials utilized and how	Tiffany Polychrones/ recruitment team

R.E.A.C.H. Evaluation Plan

<p>neurodivergence, physical disabilities, moderate challenging behaviors)</p>			<p>community and surrounding areas to promote becoming a foster parent and information sessions.</p>			
	<p>2. Increase the use of radio and marketing/advertising airtime</p>	<p>January 1, 2026</p>	<p>CAFF will increase the frequency of advertisement via radio and internet to promote information sessions and encourage recruitment of foster families</p>	<p>Brief report</p>	<p>Collected quarterly, a list of recruitment advertisement means utilized, how and with what frequency</p>	<p>Tiffany Polychrones/recruitment team</p>
<p>3. Scheduled trainings and retention groups to prepare and support resource families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.</p>	<p>1. CAFF will provide at least quarterly training and/or monthly group opportunities to encourage retention and empowerment of resource families.</p>	<p>November 31, 2025</p>	<p>CAFF will have various trainings scheduled for families to address their needs and provide necessary support.</p>	<p>Brief report</p>	<p>Collected Quarterly, list of groups and brief description of group intention</p>	<p>Tiffany Polychrones</p>
	<p>2. CAFF will include Fluvanna County DSS in training and support group opportunities</p>	<p>November 31, 2025</p>	<p>CAFF will have various trainings scheduled for families to address their</p>	<p>Brief report</p>	<p>Collected Quarterly, list of groups and brief description of group intention</p>	<p>Tiffany Polychrones/FCDSS Staff</p>

R.E.A.C.H. Evaluation Plan

			needs and provide necessary support and will extend these offerings to FCDSS		and number of FCDSS families and/or staff that attended	
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EVALUATION RESULTS SCORECARD

Strategic Objective	What		When	Results				
	Output or Outcome Measure Description	Target	Frequency	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Annual
Project Goal 1: Increased number of children in kinship family home in our partner localities								
1. Hiring a staff member to be trained in and focused on Family Finding	1. Job listing will be posted in various spaces to receive applications	December 31, 2025	Collected once, check for completion					
	2. Best and most suited applicant chosen and accepted position. Start date in place.	March 31, 2026	Collected once, check for completion					
	3. Staff member completed basic department onboarding trainings. Trainings for Family Finding and other relevant	May 31, 2026	Collected one, check for completion					

R.E.A.C.H. Evaluation Plan

	trainings will be scheduled						
2. Hired staff member assesses family finding/kinship needs with partner localities.	1. Staff member present and involved in monthly partnership meetings	April 30, 2025	Collected monthly, checked off for completion or explanation of needed rescheduling				
	2. Staff member has one identified case per locality to support with family finding efforts	July 31, 2026	Collected monthly, Documentation of needs and progress tracked through, contact notes reports and spreadsheets				
3. Scheduled trainings to prepare and support kinship families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.	1. CAFF will have various trainings scheduled for families to address their needs and provide necessary support.	November 31, 2025	Collected Quarterly, list of groups and brief description of group intention				
	2. CAFF will have various trainings scheduled for families to address their needs and provide necessary support and will extend these offerings to FCDSS	November 31, 2025	Collected Quarterly, list of groups and brief description of group intention and number of FCDSS families and/or staff that attended				

R.E.A.C.H. Evaluation Plan

Project Goal 2: Increase recruitment and retention of resource families that can support the children and families our partner localities encounter.							
1. Targeted recruitment of foster families that are able and willing to support sibling groups of all sizes, various ages and diverse backgrounds	1. CAFF will create new branded materials to use strategically in the community and surrounding areas to promote becoming a foster parent and information sessions.	January 1, 2026	Collected quarterly, a list of recruitment materials utilized and how				
	2. CAFF will increase the frequency of advertisement via radio and internet to promote information sessions and encourage recruitment of foster families	January 1, 2026	Collected quarterly, a list of recruitment advertisement means utilized, how and with what frequency				
2. Targeted recruitment of foster families that can support youth with higher acuity needs (i.e. neurodivergence, physical disabilities, moderate challenging behaviors)	1. CAFF will create new branded materials to use strategically in the community and surrounding areas to promote becoming a foster parent and information sessions.	January 1, 2026	Collected quarterly, a list of recruitment materials utilized and how				
	2. CAFF will increase the frequency of advertisement via radio and internet	January 1, 2026	Collected quarterly, a list of recruitment				

R.E.A.C.H. Evaluation Plan

	to promote information sessions and encourage recruitment of foster families		methods, spaces and efforts.				
3. Scheduled trainings and retention groups to prepare and support resource families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.	<ol style="list-style-type: none"> 1. CAFF will have various trainings scheduled for families to address their needs and provide necessary support. 2. CAFF will have various trainings scheduled for families to address their needs and provide necessary support and will extend these offerings to FCDSS 	November 31, 2025	Collected Quarterly, list of groups and brief description of group intention				

DASHBOARD FOR KEY MEASURES

Output or Outcome Measure Description	Target	Frequency	Results				Trending
1. Job listing posted within 3 months	December 31, 2025	Collected once, check for completion					
Strategic Objective: Hiring a staff member to be trained in and focused on Family Finding Measure Definition: Job listing will be posted in various spaces to receive applications Method of Tracking: Check list							

R.E.A.C.H. Evaluation Plan

2. Staff Member Hired	March 31, 2026	Collected once, check for completion						
Strategic Objective: Hiring a staff member to be trained in and focused on Family Finding Measure Definition: Best and most suited applicant chosen and accepted position. Start date in place. Method of Tracking: Check list								
3. Staff member onboarded to department and scheduled for applicable trainings.	May 31, 2026	Collected one, check for completion						
Strategic Objective: Hiring a staff member to be trained in and focused on Family Finding Measure Definition: Staff member completed basic department onboarding trainings. Trainings for Family Finding and other relevant trainings will be scheduled Method of Tracking: Check list								
4. Staff member engaged in standing partnership meetings	April 30, 2025	Collected monthly, checked off for completion or explanation of needed rescheduling						
Strategic Objective: Hired staff member assesses family finding/kinship needs with partner localities. Measure Definition: Staff member present and involved in monthly partnership meetings Method of Tracking: Check list								
5. Staff member utilizing trainings to support cases identified through partner assessments	July 31, 2026	Collected monthly, Documentation of needs and progress						

R.E.A.C.H. Evaluation Plan

		tracked through, contact notes reports and spreadsheets					
<p>Strategic Objective: Hired staff member assesses family finding/kinship needs with partner localities.</p> <p>Measure Definition: Staff member has one identified case per locality to support with family finding efforts</p> <p>Method of Tracking: Spreadsheet</p>							

6. CAFF will provide at least quarterly training and monthly group opportunities to encourage retention and empowerment of kinship and resource families.	November 31, 2025	Collected Quarterly, list of groups and brief description of group intention					
<p>Strategic Objective: 1. Scheduled trainings to prepare and support kinship families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.</p> <p>2. Scheduled trainings and retention groups to prepare and support resource families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.</p> <p>Measure Definition: CAFF will have various trainings scheduled for families to address their needs and provide necessary support.</p> <p>Method of Tracking: Brief report</p>							
7. CAFF will include Fluvanna County DSS in training and support group opportunities	November 31, 2025	Collected Quarterly, list of groups and brief description of group intention and					

R.E.A.C.H. Evaluation Plan

		number of FCDSS families and/or staff that attended					
<p>Strategic Objective: 1. Scheduled trainings to prepare and support kinship families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.</p> <p>2. Scheduled trainings and retention groups to prepare and support resource families in caring for the specific demographics of youth identified in our partner localities as challenging to find long-term placement for.</p> <p>Measure Definition: CAFF will have various trainings scheduled for families to address their needs and provide necessary support and will extend these offerings to FCDSS</p> <p>Method of Tracking: Brief report</p>							
8. Increase the use of recruitment materials and branded swag	January 1, 2026	Collected quarterly, a list of recruitment materials utilized and how					
<p>Strategic Objective: 1. Targeted recruitment of foster families that are able and willing to support sibling groups of all sizes, various ages and diverse backgrounds</p> <p>2. Targeted recruitment of foster families that can support youth with higher acuity needs (i.e. neurodivergence, physical disabilities, moderate challenging behaviors)</p> <p>Measure Definition: CAFF will create new branded materials to use strategically in the community and surrounding areas to promote becoming a foster parent and information sessions.</p> <p>Method of Tracking: Brief report</p>							
9. Increase the use of radio and marketing/advertising airtime	January 1, 2026	Collected quarterly, a list of recruitment advertisements					

R.E.A.C.H. Evaluation Plan

		t means utilized, how and with what frequency				
<p>Strategic Objective: 1. Targeted recruitment of foster families that are able and willing to support sibling groups of all sizes, various ages and diverse backgrounds</p> <p>2. Targeted recruitment of foster families that can support youth with higher acuity needs (i.e. neurodivergence, physical disabilities, moderate challenging behaviors)</p> <p>Measure Definition: CAFF will increase the frequency of advertisement via radio and internet to promote information sessions and encourage recruitment of foster families</p> <p>Method of Tracking: Brief report</p>						

COMMUNICATION PLAN FOR KEY RESULTS

Key Measure Description	Audience of Communication	Mode of Delivering Information	Frequency of Delivering Information	Person Responsible for Communication
1. All Key Measure's results will be shared in the same way in each category	<ul style="list-style-type: none"> • Agency Partners 	<ul style="list-style-type: none"> • Advisory Board Meeting 	<ul style="list-style-type: none"> • Monthly • When needed for VDSS reporting needs 	<ul style="list-style-type: none"> • Tiffany Polychrones • Designated LDSS Partners' staff • Reggie Allen • Charlsie Stratton



City Manager's Report

City Departments

1-20-2026

City Manager – Sam Sanders (he/him)

- Congratulations to Juandiego Wade and Natalie Oschrin for being selected to serve as Mayor and Vice Mayor, respectively! They will serve through December 31, 2027.
- Attached to this City Manager's Report is the Q&A document for the December 17 Neighborhood Leaders Meeting. The City Manager's Office hosted this quarter's engagement as a holiday reception.
- January 8:
 - Received a presentation by Charlottesville Police Department (CPD) on the use of drones in our law enforcement operations.
 - Met with Latricia Giles, the director of the Public Housing Association of Residents (PHAR), to discuss funding priorities.
- January 9:
 - City Council met all day in a retreat where they received a financial health update from PFM, the City's financial advisor, FOIA training and review of Council Procedures by City Attorney John Maddux, and a strategic goal setting session facilitated by Joshua Rene with The Spill Team.
- January 13:
 - Held a monthly check in with Albemarle County Executive Jeff Richardson.
 - Attended the CHO Airport Authority meeting. Key meeting notes:
 - 2026 Election of Officers: Jeff Richardson as Chair, I will serve as Vice Chair, and COO Penny Shifflett will serve as Secretary/Treasurer.
 - CHO has openings for team positions. If you know someone looking for a job, [use this link](#) to take a look.
 - CHO has a 90% load factor so far this year, which reflects our likelihood of filling all available seats on aircraft leaving Charlottesville.
 - The Authority Board accepted a clean audit with no findings, suggestions, or adjustments.
 - Robinson, Farmer, Cox was approved to continue its audit services for the remaining renewal year on the existing contract; a new RFP will be issued next year for these same services.
 - The Authority Board approved the following representatives to serve on the Audit Committee: Chris Cullinan as Chair, then Jacob Sumner, Roger Martin, John Mattern, and David Dallas.

Utilities – Director Lauren Hildebrand (she/her)

- There is still time to enter the Charlottesville Utilities Storm Drain Art Contest, but the clock is ticking! The contest submission deadline is Monday, February 9 at 5:00 PM.
 - The Charlottesville Department of Utilities encourages the community to put on their creative thinking caps and submit artwork that communicates the theme, “Stormwater Pollution Prevention: Only Rain Down the Drain!”, for a chance to win a \$500 Visa gift card and paint their design on a storm drain inlet.
 - With two submissions categories, Youth (ages 12-17) and Open (ages 18+), this is a great opportunity to visually communicate an educational and inspirational message on how and why pollutant-free stormwater is essential to the health and vitality of the City’s creeks, streams, and the Rivanna River.
 - A panel of judges selected by the Department of Utilities will choose two winning designs, one from the Youth category and one from the Open category. A third Fan Favorite winner will be selected from the top entries via online voting by the community. The three winners will each receive a \$500 Visa gift card and paint their design on one of three storm drain inlets at a painting event in the spring.
 - More information on the Charlottesville Utilities Storm Drain Art Contest, including a blank storm drain template to assist with designs, the official rules, and the official submission form, can be found at www.charlottesville.gov/stormwater.

Parks & Recreation – Director Riaan Anthony (he/him)

- Trails & Greenways
 - The Washington Park Ramp VDOT project is complete. Parks will install a vehicle-control bollard at the upper end of the ramp to prevent unauthorized vehicle access.
 - Ragged Mountain trail relocation efforts continue, with volunteer support focused on elevating trail sections that will be impacted when the reservoir level is raised approximately 12 feet later this year.
 - The irrigation project at Meadowcreek Golf Course is underway and is anticipated to be completed by spring. The course remains open during construction.
- Events
 - Father-Daughter Dance
 - A Valentine-themed dance for fathers, uncles, and grandfathers with daughters ages 3–12.

- Registration is per couple; only the daughter needs to be registered.
 - Dates and times:
 - February 13, 6:00–8:00 PM.
 - February 14, 6:00–8:00 PM.
 - [Early registration](#) is encouraged as this program fills quickly.
- [Summer Camp](#)
 - General summer camp registration dates:
 - City residents: February 2 at 10:00 AM
 - Non-City residents: February 17 at 10:00 AM
 - Adaptive camp registration opens Monday, February 17 at 10:00 AM.
- Winter Break Camp was successfully held, serving 80 participants over five days, including a field trip to Skate Nation in Richmond.
- City Market
 - [Applications for the 2026 City Market](#) season are now open.
 - Vendors seeking reserve status must submit applications by Sunday, February 1, 2026.
 - Applications received after this deadline will be considered for non-reserved status only.

Human Services – Director Misty Graves (she/her)

- The Community Attention Youth Internship Program (CAYIP) successfully launched a new program, CAYIP 2.0, in partnership with the Office of Economic Development (OED) and Lugo-McGinness Academy's Knight School. Students engage with the OED staff to gain valuable career readiness instruction including certifications such as CPR/First Aid and ServSafe. Then, participants will transition to hands-on internship sites for a holistic approach to career readiness while earning a performance-based stipend of \$15.00 an hour.
- The Department of Human Services' Community Based team is getting a jump on hiring for summer staff. They are looking for engaged community members who enjoy working with teens for their Teens GIVE Service Learning program or to serve as coaches in the CAYIP program. Stay tuned on the HR Jobs Board for more information!
- The Youth Opportunity Coordinator launched the Summitt Elementary Book Club with immediate success and there is interest in expanding Book Club initiatives in other City Schools.
- Youth Council engaged in conversations with Charlottesville High School Principal, Dr. Malone, and a member of the School Board that centered mental health supports for teens. Future Youth Council sessions will include additional exploration of challenges and solutions regarding mental health for students.

- The Vibrant Community Fund staff and review teams are currently preparing their evaluation and recommendations of non-profit's applications for program needs. There were approximately 85 applications submitted, representing the work of approximately 70 local organizations. Funding recommendations will be discussed during the regular City Council Budget work sessions in the coming months.

Charlottesville Fire Department (CFD) – Chief Michael Thomas (he/him)

- CFD continues to work collaboratively with the County to restore access to the City's fire training props. This is a gradual process, and a memorandum of understanding (MOU) may be developed to outline future joint use. The Chief will continue to provide updates as progress is made.
- Our Firefighters and Single Role members completed their annual live fire and rescue training this week. This year's training not only reinforced core firefighting and rescue skills but also placed a strong emphasis on mayday preparedness. These scenarios are designed to ensure our crews are fully prepared to rescue and remove trapped occupants, as well as to locate and assist a fellow firefighter in the event of separation or entrapment during a structure fire.
- Our medical personnel trained in receiving and treating occupants rescued from the building. Following the transfer of care, crews were provided with scenario-based injuries and tasked with delivering appropriate medical treatment. All training was conducted in strict accordance with NFPA 1403, the national standard for safe and effective live fire training. Adhering to these guidelines ensures a controlled training environment that prioritizes safety while reinforcing tactical proficiency and operational readiness. We remain committed to training that strengthens safety, builds teamwork, and supports our mission to protect both the community and one another.

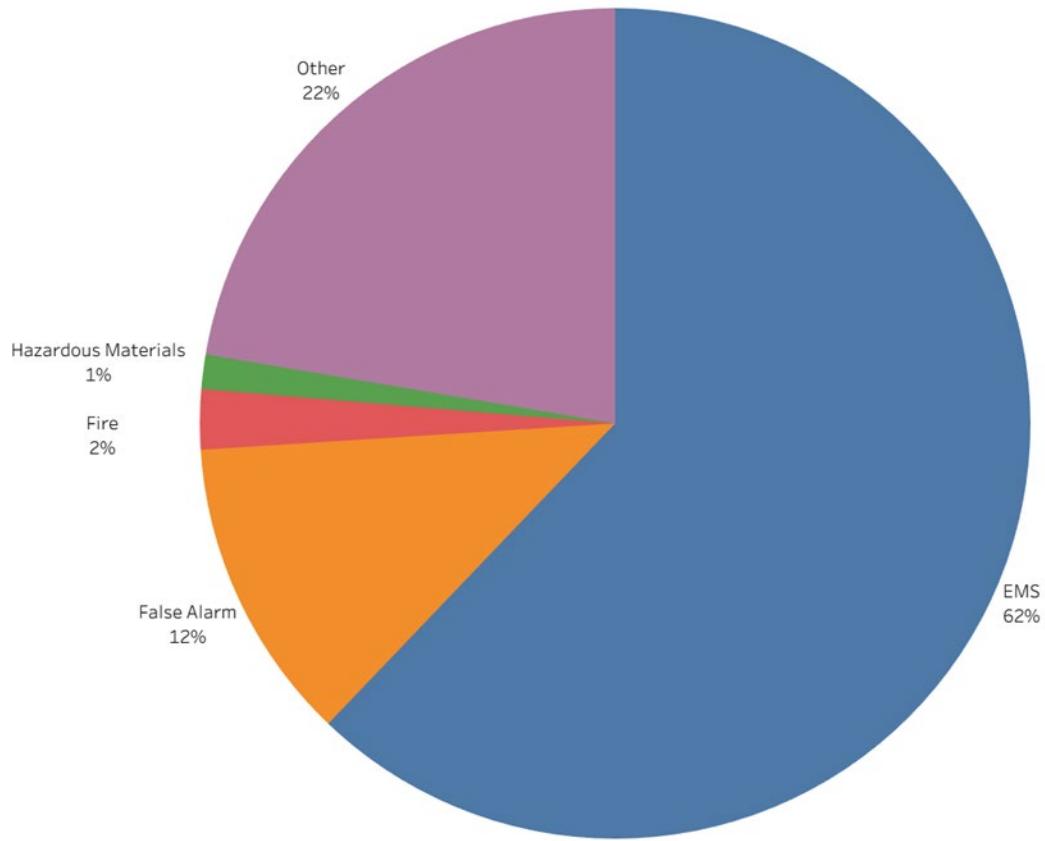
Key Metrics:

Incident Type	23	Fiscal Year		
		24	25	
EMS		5,167	4,881	2,523
Fire		178	204	86
Other		2,318	2,840	1,450
Grand Total		7,663	7,925	4,059

- From July through December of FY25, call volume decreased by 1.65% overall compared to the same period in FY24. EMS call volume over the equivalent period showed a slight decrease of 0.28%. Fire calls volume is also down from last year, with a particularly notable decline in December.

Trends and Patterns		
Average Monthly EMS Incidents July-December: 421	Average Fire Incidents July-December: 14	Average Monthly Other Incidents July-December: 241
Change in Average Monthly EMS Incidents Since This Time Last Year: -0.28%	Average Change in Monthly Fire Incidents Since This Time Last Year: -15.71%	Average Change in Monthly Other Incidents Since This Time Last Year: -3.01%

- Option 1 – Professional and clear
 - On average this fiscal year, CFD has responded each month to 421 EMS incidents, 14 fire incidents, and 241 incidents classified as other.
- Year-End Report
 - In 2025, the Charlottesville Fire Department responded to 7,839 unique incidents within the City of Charlottesville. Of these, 183 were fire responses, including vehicle, structure, and outdoor fires. Among those fire incidents, there were only three civilian fire-related injuries and one firefighter injury, and there were no fire-related fatalities in Charlottesville this year. The first-arriving unit met the performance benchmark of arrival within six minutes and 20 seconds in 88% of fire responses.
 - There were 105 hazardous materials incidents, including gas leaks and chemical or fuel spills. The department also responded to 929 false alarms, consisting of both good-intent and malicious activations. Other incident types, such as motor vehicle accidents and miscellaneous hazards, totaled 1,751 unique responses.
 - Medical emergencies made up the majority of CFD's workload, with 4,871 calls for service. CFD met the six-minute arrival benchmark from dispatch on 76.3% of all EMS responses, representing a significant improvement over the 61% achieved in CY 2024.



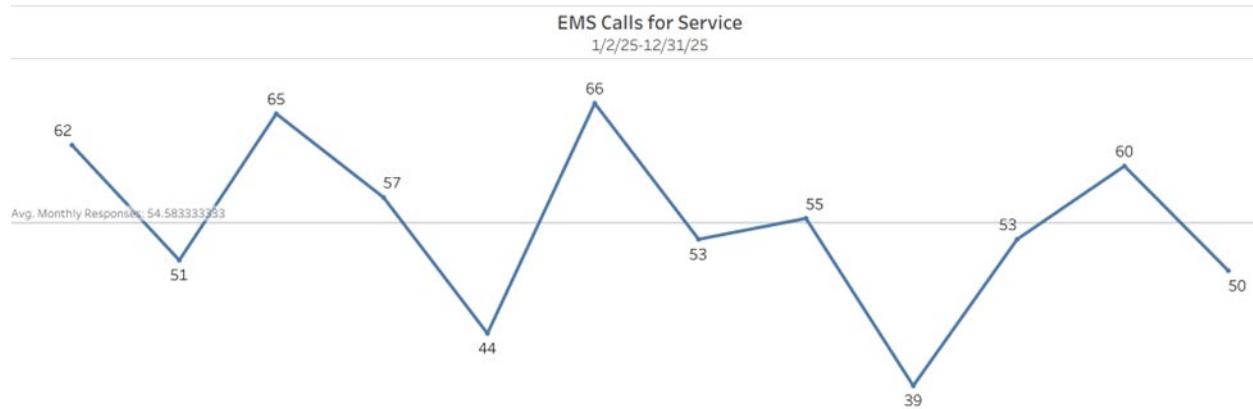
Opioid Overdoses

City EMS System Opioid Overdose Incidents



- Opioid overdoses in the City have decreased in 2025. CFD and Charlottesville Albemarle Rescue Squad (CARS) have run below an average of less than three overdoses monthly in 2025, a decrease from 2024's average of six overdoses monthly. This continues a clear trend of decreased opiate overdoses since 2023.

Unhoused EMS Patients



- Our records show that since January 2025, CFD & CARS have responded to 55 unhoused patients monthly on average. The top findings of attendants in charge on these incidents were bodily injuries (14.7%), non-traumatic pain (12.6%), behavioral health (12.3%), and alcohol abuse (8.0%).

Neighborhood Leaders' Meeting and Holiday Social
December 17, 2025
5:30pm-7:00pm at CitySpace
Questions & Answers

Greenleaf Terrace

1. I would love to know if there is a plan to add a crosswalk at the intersection of Rugby Ave and Sherwood Road. It's one of the main ways kids cross to get to the Y, skatepark, and CHS...and particularly challenging for folks who may not have a runner's pace to cross. Feels a bit like Frogger.

Response: The plan is to create a crosswalk parallel to Rugby across Sherwood Road, build a small section of sidewalk to connect Sherwood to the 250 off-ramp, and install a crosswalk at the new 4 way stop. We are hoping to get this accomplished within the next year, but that could get pushed with other funding/priority needs.

2. The city is all about sustainable landscapes yet property owners who maintain their gardens and yards in such a state have to pay for the city to haul away landscape debris. The cost is high, starting at \$35, then subsequent payments of \$50 and \$100. The city removes leaves for free three times per year in the fall and winter. This is not fair or equitable for those of us who have more environmentally friendly yards.

Further, residents who pile debris on the street for removal are required to do so the night before pick-up. This assumes we all can hire landscape crews to do the work for us, because it takes a long time to cut back, by hand, perennials and grasses. It doesn't happen overnight. We are not contributing to air and noise pollution with landscape crews with their power tools and leaf blowers. These crews theoretically haul the landscape debris away. Homeowners don't always have trucks or trailers.

I propose the city encourage more "green" and sustainable landscaping by giving residents a minimum of two free pick-ups a year for landscape material: once in the spring and once in late fall.

We pay exorbitant property taxes in Charlottesville, and it seems entirely reasonable to expect more in return. In West Palm Beach where I lived for 20 years, the city hauled landscape material away twice a week every week, and it was part of our property taxes, which were significantly less than in the city of Charlottesville.

Response: Thank you for your feedback regarding yard waste disposal options. The City of Charlottesville does not currently offer curbside yard waste collection, with the exception of Leaf Collection in the fall/winter, and the scheduling of large item collection appointments. For alternative options, landscaping and yard waste material is accepted for drop-off by several local composting farms/facilities and at the Rivanna Solid Waste Authority's Ivy Materials Utilization Center. Curbside composting collection vendors can accept yard waste material and is available for direct contract from private providers. You can compost your yard waste in a backyard compost pile. Information and resources can be found here: <https://www.charlottesville.gov/701/Composting-in-Charlottesville>.

3. Any word on when a follow up meeting will be scheduled regarding the intersection of Oakleaf/Del Mar/Greenleaf?

Response: A meeting is scheduled for Thursday, January 15, 2026, at Walker Upper Elementary. Notices should be going out shortly. Meeting information will also be posted on the Public Works News Section and provided to Greenleaf Neighborhood Association Becky Calvert, for email distribution. The City's Communications team will also be looking to promote the meeting on some of our various communication platforms.

Belmont – Carlton

4. First, there continues to be the usage of the term "Belmont" when referring to the neighborhood (see neighborhood factsheet online). Please remember that we are the Belmont-Carlton neighborhood, and not just "Belmont". We point this out because it is a thorny issue with those who live in the Carlton area, so we would also like to request that future communications, documents, and signage consistently use "Belmont-Carlton" to accurately reflect and honor both parts of our neighborhood. This recognition is important for community identity and helps foster inclusion among all residents. Thank you for making this adjustment in all official references moving forward.

Response: Thank you. We will make this change.

5. The Alley Ways are supposed to be clear for ingress and egress.

A. Who monitors all alleyways to ensure that they are free and clear for passage?

Response: Most alleyways are not publicly owned and maintenance responsibilities belong to the adjacent property owners.

B. The Detter property on the corner of Monticello/Blenheim is blocked by 2 sheds erected by Detter so other residents cannot access the alley way. Why has this been allowed, and what can be done to rectify the situation?

Response: There are two sheds in the alley that runs parallel to Blenheim and Montrose Avenues between Monticello Avenue and Avon Street. The sheds are located at the Monticello Avenue end of the alley. This is one of the alleys on the Belmont plat and is not currently a public alley. As it is not public space, the issue must be resolved between neighbors who have private rights to access the alley.

6. A while back, we had gotten this message from MyCville regarding a sidewalk on Elliot/2nd that goes to the IX Park....this is strange because there is still no sidewalk painted at that intersection. Why does this message say that the request was complete?

Hi Civility,

Great news! Your Crosswalk Request #16809058 was completed on Sep 17, 2025, 4:04 PM EDT.

If you have any questions or comments, please feel free to add them here:

https://iframe.publicstuff.com/#?client_id=1000141&request_id=16809058

Response: This is a standard system generated message issued when an item has been resolved. As part of a current review of the MyCville system, we are looking at changes to how these standard messages are used in order to improve clarity.

7. There are still a lot of questions regarding what is going on with the change from Belmont Condos to Belmont Apts as well as the hold that has been put on the project.

A. Why is there a hold on Carlton Avenue Construction Project?

There are no holds from the City on this project. The owner has an approved plan as of November 14, 2023, which was approved under the old Zoning Code. The applicant is currently assessing the feasibility of developing under the new

Development Code. To this end, they have submitted a Development Plan to determine zoning compliance with their updated proposal.

B. Impact of traffic: What is the new projected number of car trips per day for the Apartment Complex, and what plans has the City made to accommodate the increase in traffic in this already-congested section of Belmont?

Response: From the Development Plan submitted 10/6/25 and denied approval on 11/7/25

- SITE TRIP GENERATION (ITE TRIP GENERATION, 11TH EDITION):

	<u>MULTIFAMILY HOUSING (206 UNITS)</u>
AVERAGE DAILY TRIPS -	1,428 VPD (714 ENTER / 714 EXIT)
AM PEAK HOURS -	84 VPH (23 ENTER / 63 EXIT)
PM PEAK HOURS -	108 VPH (68 ENTER / 40 EXIT)

EXISTING TRIPS PER DAY (ITE, 11TH EDITION - CODE GENERAL LIGHT INDUSTRIAL FOR 6.21 ACRES) = 341 ADT

PROPOSED PROJECT CREATES 1,087 ADDITIONAL VEHICLES PER DAY

IN ADDITION, DUE TO THE WALKABILITY OF THIS PROJECT TO THE DOWNTOWN AREA, A 20%-30% REDUCTION IN VPD CAN BE EXPECTED FOR THIS PROJECT. THIS WOULD REDUCE THE TOTAL TRIPS TO 1,142 TO 1,000 VPD, RESULTING IN A NET INCREASE IN TRAFFIC OF 659 TO 801 VPD.

C. What will be the impact on city storm sewer adjacent to construction project?

Response: The applicant has only submitted a Development Plan which is a document related to Zoning Compliance and is not a document that approves construction. Prior to any final approval, the applicant will need to submit a Final Site Plan that will be reviewed for compliance with all other standards such as stormwater.

D. What plans has the City made to accommodate the increased demand on the storm sewer that runs along the boundary between the western edge of the development and the properties along the eastern side of Douglas Avenue?

Response: Any development on the site will conform to the City's Standards and Design Manual (SADM) and meet state-required stormwater management regulations.

8. Additionally, there are still questions regarding the process of what happens in Belmont Center.

- A. The growth of the Mockingbird restaurant went against what had been previously stated to neighbors regarding the expansion of that outside venue.
- B. Next, there was no warning regarding the installation of new steak restaurant across from Mas.

C. And now, there are plans to destroy a historic church/office building (and most likely the trees there) at 914 Monticello Ave....to make way for what? Why are we finding out about such things by an article from Sean Tubbs rather than receiving any notice by the City?

Response: The proposed development at 914 Monticello Avenue is a by-right 33-unit project currently undergoing Development Review. Information regarding by-right development can be found on the City's website, specifically on the Development Map on the NDS webpage.

D. What was the process in approving these new buildings/businesses and destroying historic buildings? Moving forward, is the City completely leaving neighbors out of the equation for such changes?

Response: The City is dedicated to community engagement. Although we have transitioned away from direct engagement for each development project, we utilize additional communication channels such as the City's website, Development Map, and the online Permit Portal to ensure that information related to these projects is accessible to the public. We are committed to continuously evaluating our engagement strategy and anticipate updates to enhance the provision of information in the future.

All of these changes have a direct impact on the quality of our daily lives due to bringing in large numbers of people (tour buses dropping off crowds of people to party), increased congestion, traffic issues, parking issues, noise issues, trash issues, increase in rodents -new presence of rats, and the destruction of green space as well as the established, historic, neighborhood character.

9. AVON EXTENDED MULTI MODAL BIKE/PED PLAN

- A. First, many neighbors were not even aware of these planned changes, so people feel blind-sided one again by a plan that adversely affects them. I must stay that even the Board was not aware of this plan, so we wonder if the City tried to reach out to the Association?
- B. Second, neighbors are confused because there was a listening session the first week of May 2025 (the 8th?), and then there was supposed to be a public meeting in Spring of 2026, so how is it possible that the City Council has already voted it through? What happened to the additional public input before the vote?

- C. Also, They chose a design that was different from the ones proposed at the May meeting that many attended. <https://www.vdot.virginia.gov/projects/culpeper-district/avon-street-multimodal-improvements/>
- D. Third, How did the City calculate parking spaces that would be lost? Are they calculating spots north of Rockland? By an affected neighbor's count, there will be more than 33 spaces lost (considering that some people park on the grass). One neighbor commented: "*They've made zero plans or suggestions for those that will be impacted, more or less a shrug and "well, it's only 33 spaces", Well, it isn't ; it's more spaces than that. And not only does it impact those living here, but it also permanently shuts down how the properties along this corridor can develop. I'm in a duplex that will be impacted. Our front door opens to Avon, and the house was built with the ability to park there in mind, i.e. there is no driveway. Now, I'm going to have to find a parking spot on an interior street and walk up this mixed-use path just to enter my front door! It's ironic that they want more 'missing middle' type of housing, e.g. duplexes and triplexes per recent zoning, and then penalize these types of living situations that already exist by taking away their parking.*"
- E. People have commented that the cost is astronomical and that it's a waste of time and money since there are no bike and pedestrian paths south of that point. Will the county be building a continuation of the sidewalks and bike paths on Avon Extended?

Response: Bike and pedestrian improvements in the Avon Street corridor were identified in the City's 2015 Bicycle and Pedestrian Master Plan. The project on Avon St between Druid Ave in the City and Avon Ct in Albemarle County was developed between 2021 and 2023 by the Charlottesville-Albemarle Metropolitan Organization as a VDOT-administered and funded project. This project, which included sidewalks and bicycle lane improvements, spans the City-County border, but supports priorities of each locality, providing safe multimodal options in the City's entrance corridor while providing one of the needed connections to the Avon St shared use path and sidewalk improvements in the County. The original project designs had impacts to on-street parking, but as VDOT moved forward through design, also had substantive project costs associated with needed right-of-way and construction of retaining walls to address topographical challenges.

To address these project costs, VDOT recommended evaluating an alternative design that would reassign space for bicycles and pedestrians into a single shared use path,

rather than into sidewalks and unprotected bike lanes. VDOT held a public information meeting in May 2025 to collect public feedback on this new alternative, along with a revised version of the initial design that had been engineered to reduce costs to the greatest extent possible. VDOT's analysis showed that 33 on-street parking spots would be removed with both alternatives, but that the recommended shared use path design would be within the project's current budget and could be designed to calm traffic to a lower 25 mph speed limit. City Council voted for VDOT to continue to design and construction of the recommended shared use path design in August 2025. VDOT will continue to develop construction plans for the project and is currently aiming for Spring 2026 to hold their public hearing on those plans. Work on any necessary right-of-way purchases and relocations on utilities would take place in 2027, with construction of the project occurring in 2028.

Any additional questions on this project can be shared with the VDOT project manager responsible for the Avon St Multimodal Improvements project, John Rose, as john.rose1@vdot.virginia.gov.

Fifeville

10. What are the city's plans for the Oaklawn property and do you plan to connect with the neighborhood at some point in the future to do community engagement?

Response: The City is considering the feasibility of shifting the proposed early childhood learning center previously proposed for the Walker site to this location. Yes, any planning process involving the Oaklawn property would include community engagement.

Fry Springs

11. Some localities have instituted a tax on blighted properties. Charlottesville gives tax discounts if your property is unoccupied. I can think of at least 10 properties in Fry's Spring that have been abandoned / not legally occupied for more than 5 years (and some 10 or 20 years). To name a few -2500 Jefferson Park Ave, 2538 Woodland Drive, 424 Mobile Lane, 126 Old Lynchburg Road, 1617 CHERRY AVE)

Has the City considered taxing blighted properties to not only remove the problems that blight bring, but also encourage property owners to make their properties habitable since we have a housing shortage?

Response: The City has a Vacant Building Registration program. The form is mailed in late November to owners of known vacant buildings and the \$25 registration fee is due January 1. The properties mentioned above are currently on the vacant registration list. 2538 Woodland Dr. is a vacant parcel with a partial structure (fire damage) and does not qualify for the registration. Property owners are not required to have the sites occupied.

Currently we assess the properties based on 100% fair market value based on their current condition. There is no additional levy that we impose on blighted properties. This would be something done outside of the annual assessment and handled by the treasurer's office.

12. A neighbor inquired about painting a road mural at the intersection of Monte Vista and Middleton with the purpose to beautify the street but also slow folks down at the intersection. I understand the City may need to establish a public art committee and there are some other steps involved for the permitting of this process. I'm checking to see if there is any update to this?

Response: A draft ordinance to create a public art committee will be discussed by Council at their January 5, 2026, meeting.

Policy Briefing Summary

City Council



Regarding:	Ordinance Approving Amendments to Previous Ordinance Authorizing a Forgivable Loan to SupportWorks Housing for Vista 29 (1 of 2 readings)
Staff Contact(s):	Taylor Harvey-Ryan, Grants Program Manager, Brenda Kelley, Redevelopment Manager
Presenter:	Brenda Kelley, Redevelopment Manager
Date of Proposed Action:	January 20, 2026

Issue

In August 2024, City Council approved an Ordinance authorizing a forgivable loan to Virginia Supportive Housing ("VSH") in the amount of \$750,000. VSH, now known as SupportWorks Housing ("SupportWorks"), requested amendments to the Loan Agreement and the Declaration of Affordable Housing Covenants to comply with all the requirements.

Background / Rule

SupportWorks is developing a Low Income Housing Tax Credit ("LIHTC") Project, called Vista 29 (formerly known as Premier Circle), of 80 affordable housing units to house unhoused persons and very low-income households, with supportive services, on property located at 405 Premier Circle in Albemarle County, Virginia ("Albemarle").

During final planning, SupportWorks notified the City and Albemarle that there was a funding gap of \$1.5 million. The City and the County agreed to split the funding gap, so that the Project could be built to provide these much needed housing units and services to the community.

Analysis

Here are some key elements of the requested amendments:

- Change Project's name from Premier Circle to Vista 29
- Change owner's name from Virginia Supportive Housing to SupportWorks Housing
- Change the affordability period from 99 years to 30 years
- Change the AMI levels as follows:
 - 12 of the units: change from at less than 40% AMI to at or less than 40% AMI
 - 68 of the units: change from below or between 50% AMI to below or between 60% AMI
- Other minor corrections or revisions

Financial Impact

There is no additional anticipated financial impact. The \$750,000 in funding was appropriated from the CIP Contingency Account in January 2024.

Recommendation

City Staff recommends that City Council adopt the attached Ordinance amending a previous Ordinance approving a forgivable loan to SupportWorks Housing for Vista 29.

Recommended Motion (if Applicable)

"I move approval of the amended Ordinance to approve a forgivable loan to SupportWorks Housing for Vista 29."

Attachments

1. Loan Agreement Vista 29 Jan2026
2. Dec of Aff Hsg Cov finalvrs Jan2026
3. Amended Ord Premier Circle Jan2026
4. VISTA 29 presentation Jan2026

LOAN AGREEMENT FOR PREMIER CIRCLE/VISTA 29 PROJECT

RECITALS

WHEREAS, the production of new housing units for homeless persons and very low-income households is a public purpose and use for which public money may be spent, and such production is a governmental function of concern to the Commonwealth of Virginia; and

WHEREAS, pursuant to Virginia Code §15.2-958 the City of Charlottesville may, by ordinance, make grants or loans to the owners of residential rental property occupied, or to be occupied, following construction, by homeless persons and households of very-low income, for the purpose of producing such property; and

WHEREAS, SupportWorks Housing (“SupportWorks”), formerly known as Virginia Supportive Housing, is a private, nonprofit 501(c)(3) organization (corporation) organized and operating under the laws of the Commonwealth of Virginia, having as its mission to end homelessness by providing permanent housing and supportive services; and

WHEREAS, SupportWorks is developing the Premier Circle/Vista 29 project at 405 Premier Circle (the “Project”), in Albemarle County, Virginia, that will have 77 studio apartments and 3 one-bedroom apartments with supportive services, such development to be funded by Low Income Housing Tax Credits, private donations, grants, and local government funding from the County of Albemarle and the City of Charlottesville; and

WHEREAS, the Project will be a mixed-income community with a blend of units for homeless and very low-income households from Albemarle County, the City of Charlottesville, and the surrounding region; and

WHEREAS, SupportWorks has requested the City of Charlottesville (the “City”) to award local public funding for the Project, in an amount sufficient to subsidize the projected cost of constructing the required public infrastructure for the Project as well as the construction of very low-income affordable units, the City desires to make a Forgivable Loan to SupportWorks pursuant to and in consideration for SupportWorks’s activities in compliance with this agreement, to be approved by the City; and

NOW, THEREFORE, BE IT ORDAINED by the Charlottesville City Council that local public funding in the amount of seven-hundred-fifty-thousand-dollars (\$750,000) is hereby approved for SupportWorks Housing to support the Project, subject to the following terms and conditions, which shall be set forth within this written agreement that shall be executed by duly authorized agents of the City and SupportWorks Housing (“Loan Agreement” or “Agreement”):

Section 1. Public purpose of the Loan

This Forgivable Loan is provided to SupportWorks Housing (“Recipient” or “SupportWorks”) for the public purposes of providing for construction of eighty (80) affordable housing units: 77 studio apartments and 3 one-bedroom apartments with supportive services, at the Project.

The Project shall be diligently prosecuted by the Recipient, to the end that, upon completion of construction, **one hundred percent (100%) of the dwelling units within the Project will be for occupancy or rental by homeless persons and very low-income households, for a period not less than thirty (30) years.** Of the eighty (80) units, twelve (12) units will be rented to households at or less than forty (40) percent area median income (AMI), and twenty-eight (28) will be rented to households at or less than fifty (50) percent AMI, and forty (40) will be rented to households at or below sixty (60) percent AMI.

Section 2. Representations and Warranties by the Recipient

To induce the City to make the Loan, Recipient makes the following as its representations and warranties to the City:

- (A) Recipient is a corporation organized under the laws of the Commonwealth of Virginia, active and in good standing as of the date of its execution of this Agreement.
- (B) Recipient is a nonprofit 501(c)(3) organization whose 501(c)(3) status remains in effect as of the date of its execution of this Agreement.
- (C) Recipient will use its best efforts to ensure the Loan funds will be used only for the public purposes referenced in Section 1. Recipient may expend the Loan funds itself, or Recipient may loan the funds to a third party who is legally obligated to use the funds only for the public purpose referenced in Section 1.
- (D) Recipient shall in good faith take all measures necessary to ensure that one hundred percent (100%) of the dwelling units constructed within the Project will be Rental Affordable Units for homeless persons and very low-income households, for households earning 60% or less of the Area Median Income (AMI).
- (E) To the best of its knowledge, the Premier Circle PSH, LLC (the “Landowner”) currently owns all right, title and interest in and to the land comprising the development site of the Project, and Recipient has verified that the Landowner may only transfer or convey title to any such land subject to the terms of this Agreement.
- (F) Recipient will execute any and all documents reasonably requested by the City to finalize the Forgivable Loan authorized by this Ordinance, including, without limitation, any note, deed of trust, security agreement or guaranty.

(G) The representations set forth within paragraphs (A) through (F) preceding above are material provisions of this Agreement.

Section 3. Authorized Expenditures; Budget

(A) The Project is a mixed-income development that will provide eighty (80) permanent affordable units for very low-income households for residents of Charlottesville and the surrounding counties. Of the eighty (80) units, seventy-seven (77) will be studio apartments and three (3) one-bedroom apartments, all with supportive services. Of the eighty (80) units, twelve (12) will be completely accessible for persons with disabilities, and two (2) units will feature equipment for individuals with sensory impairments. The entire building will be designed to meet Virginia's Housing's Universal Design Standards.

(B) The City will provide \$750,000 in Forgivable Loan proceeds. Loan proceeds may be expended as follows:

- i. Up to \$750,000.00 shall be expended for site work (demolition of existing buildings, grading, erosion, and sediment control measures, etc.), the installation, construction or reconstruction of public streets (inclusive of sidewalk, curb and stormwater, landscaping), utilities, and park(s) essential to the Project ("Public Infrastructure" or "Public Infrastructure Construction), and for construction of eighty (80) new affordable housing units for rental to low-income households residing in the Thomas Jefferson Planning District Commission region.
- ii. Up to \$75,000 (ten (10) percent) may be used for soft costs.

(C) Construction will commence on an estimated timeline of February 2025 and be diligently prosecuted by Recipient to completion.

(D) [Reserved.]

(E) The Budget shall establish a summary of projected costs for public infrastructure construction and construction of the affordable housing units. The Budget shall also include line items for a construction contingency amount, soft costs and other reserves acceptable to the City.

Section 4. Disbursement of Loan Proceeds

(A) Preconditions, General

Prior to the first disbursement of any Loan proceeds for expenses incurred pursuant to Section 3 above, the Recipient shall furnish all of the following documents to the City, in a form acceptable to the City in all respects, for the City's approval:

- i. Documentation of an approved site plan.
- ii. Declaration of Affordable Housing Covenants (Rental), in the form approved by the City Manager and City Attorney and executed by Recipient and recorded within the respective land records for Albemarle County.
- iii. A Construction Schedule that implements construction of the Rental Affordable Units to be completed by November 2026.
- iv. The Budget required by Section 3, above.

If the above-referenced documents demonstrate the adequacy of the Budget to complete the Public Infrastructure and the Rental Affordable Units, and if the Construction Schedule is realistic, then the City's approval shall not unreasonably be withheld.

(B) Execution of Loan Instruments

This Loan is in the amount of the total disbursements made by the City to the Recipient, pursuant to Section 3(B)(i) and (ii) preceding above. Disbursement shall be made up to the Loan maximum specified in Section 3(B)(i) and (ii), above. All disbursements shall be added to the principal of the Loan, and interest at the rate of this Loan shall accrue thereon from the date each disbursement is made. The City shall not disburse any loan proceeds to the Recipient unless and until the Recipient has executed and delivered to the City all documents or legal instruments deemed by the City to be necessary to effectuate the Loan and to secure the City's ability to enforce the requirements of this Loan Agreement. The following terms and conditions are material to the City's agreement to enter into this Loan Agreement and shall be requirements of this Agreement enforceable in accordance with this Loan Agreement as well as through any documents or legal instruments that effect and secure the Loan of public funds to the Recipient:

- (i) Deferred Payment Loan; Payment Date. This Loan shall be a deferred payment loan. The deferral period shall commence on the Commencement Date specified in subparagraph (iii), below, and shall expire at midnight on December 31 of the fortieth (40th) calendar year thereafter ("Deferral Period"). Interest shall accrue during the Deferral Period, in the amount specified in subparagraph (iv) following below.
- (ii) Each Disbursement of funds made by the City to the Recipient shall constitute loan proceeds (individually and collectively, the "Loan") of the Loan that is the

subject of this Agreement. The term of the Loan shall be forty (40) years, commencing on the date of the final disbursement of Loan proceeds by the City to the Recipient pursuant to this Agreement (“Commencement Date”). If the Project is completed and operated continuously in accordance with the requirements of this Agreement and the Declaration of Affordable Housing Covenants (Rental), and any amendments thereto, throughout the entire Deferral Period (i.e., continuously from the Commencement Date through the expiration of the Deferral Period) then the Loan shall be forgiven. Recipient will grant to the City, as security for the Loan, an assignment of its subordinate interest in the project, which secures its Sponsor Loan. The assignment shall be subordinate to loans from Virginia Housing, VCDC, Virginia Department of Housing and Community Development, and the construction loan during the construction period, and any federal agency.

(iii) Interest shall accrue on outstanding amounts of the Loan, at the annual rate of three percent (3%), beginning on the Commencement Date specified in (ii), above. If the Project is completed and operated continuously in accordance with the requirements of this Agreement and the Declaration of Affordable Housing Covenants (Rental), and any amendments thereto, throughout the entire Deferral Period referenced in paragraph (ii) preceding above (i.e., continuously from the Commencement Date through the expiration of the Deferral Period) then the accrued interest shall be forgiven.

(iv) **Payment.** All Loan proceeds disbursed to the Recipient shall immediately become due and owing to the City in full, in each case following any applicable notice and cure period:

- a. on the date of any Uncured Event of Default on the Loan;
- b. upon the insolvency or dissolution of the Recipient;
- c. on the date of any foreclosure; or
- d. upon the sale or transfer of the property, or any portion(s) thereof, to any person other than a related entity, or other assignee, who has been approved by the City in advance. For purposes of this Agreement, the term “related entity” means any transferee that is controlled by the Recipient, the Landowner, or both.

(v) **Default.** If any Event of Default shall occur pursuant to this Project Loan Agreement and is not cured within sixty (60) days from the date that written notice of such Event of Default is given by the City to the Recipient or such longer period as was reasonably necessary for cure, provided the Recipient requested an extension prior the expiration of the 60-day cure period and the City approved the request in

writing (“Uncured Event of Default”), the Loan shall immediately become due and payable in full to the City. Each of the following shall constitute an Event of Default:

- a. Use of Loan funds for any purpose(s) other than those articulated within Section One of this Ordinance;
- b. Failure to comply with the terms and conditions of this Loan Agreement that apply to Project;
- c. Failure to comply with the requirements of the Declaration of Affordable Housing Covenants (Rental), and any amendments thereto, as it may be amended, or any phase-specific replacement covenant thereto;
- d. Failure to perform any of Recipient’s obligations under this Loan Agreement with respect to construction of the Public Infrastructure or construction of units of housing within Project;
- e. Failure to perform any of Recipient’s obligations under the Declaration of Affordable Housing Covenants (Rental), and any amendments thereto, as it may be amended or any phase-specific replacement covenant thereto;
- f. A successful legal challenge initiated by the Landowner, SupportWorks, or any Project Owner, asserting that the Declaration of Affordable Housing Covenants (Rental), and any amendments thereto, is invalid or unenforceable, in whole or as applied to such person;
- g. Failure to perform as required by any document that secures this Loan;
- h. Failure of Recipient to give the City notice of any anticipated sale of all or any portion of the Project to any person that is not controlled by the Recipient, the Landowner, or both and who will use it for any purpose other than that specified within Section 1 of this Agreement;

(vi) **Remedies for Default.** If Recipient fails to pay the Loan or fails to cure any Event of Default prior to the end of the 30-day notice period, the City may invoke foreclosure of this Loan Agreement or any other remedy allowed by the Loan Agreement, any document related to this Loan, or by the laws of the Commonwealth of Virginia. All of the City’s rights and remedies are distinct and cumulative to any other rights and remedies under this Agreement, or otherwise at law, and may be exercised concurrently, independently, or successively.

(vii) **No Waiver.** No forbearance by the City in exercising any right or remedy hereunder, or otherwise afforded by Virginia law, shall constitute a waiver of, nor shall forbearance preclude the exercise of, any right or remedy.

Section 5. General Terms and Conditions

(A) **Non-Appropriations Condition:** The obligations of the City as to any funding beyond the end of Fiscal Year 2025 (June 30, 2025) are expressly made subject to the availability of and appropriation by the City Council of sufficient public funds to support continued performance of this agreement by the City in succeeding fiscal years. When public funds are not appropriated or are otherwise unavailable to support continuation of payment(s) by the City to Recipient in a subsequent fiscal year, the City's obligations hereunder shall automatically expire, without liability or penalty to the City. Within a reasonable time following City Council's adoption of a budget, the City shall provide the Recipient with written notice of any non-appropriation or unavailability of funds affecting this Loan agreement.

(B) **Assignments.** The City reserves the right to approve in advance any assignment of this Agreement by the Recipient to any individual or entity, and the ownership and membership of any such entity must be disclosed to the City. Any change in the Recipient's organizational structure, and any change in the Recipient's status or Recipient's relationship to the Landowner, the Project Owner shall also be subject to approval by the Authority. Any such assignee shall be bound by all the terms and conditions of this Agreement.

(C) **Public Disclosure of Agreement Documents:** The Recipient acknowledges and understands that this agreement, and all related public proceedings and records, shall be open to the inspection of any citizen or any interested person, firm or corporation, in accordance with the Virginia Freedom of Information Act (Va. Code §2.2-3700 et seq.) and the Virginia Public Procurement Act (Va. Code §2.2-4300 et seq.) to the extent that either of those laws applies.

(D) **No Waiver of Rights:** No failure on the part of the City to enforce any of the terms or conditions set forth in this agreement shall be construed as or deemed to be a waiver of the right to enforce such terms or conditions. No waiver by the City of any default or failure to perform by the Recipient shall be construed as or deemed to be a waiver of any other and/or subsequent default or failure to perform. The acceptance of the performance of all or any part of this Agreement by the City, for or during any period(s) following a default or failure to perform by the Recipient, shall not be construed as or deemed to be a waiver by the City of any rights hereunder, including, without limitation, the City's right to terminate this Agreement.

(E) **Force Majeure.** All dates in this Agreement shall be extended for a period of time equal to the period of any delay directly affecting such date which is caused by fire, earthquake or

other acts of God, strike, lockout, acts of public enemy, riot, insurrection, pandemic, disease, work shortages, acts beyond the control of the parties, declared state of emergency or public emergency, government mandated quarantine or travel ban, government shutdown or governmental regulation. All federal extensions permitted due to any pandemic, declared state of emergency or public emergency, government mandated quarantine or travel ban, or any other similar event, shall also apply to the dates in this Loan Agreement.

(F) Severability: In the event that any term, provision, or condition of this Agreement, or the application thereof to any person or circumstance shall be held by a Court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, and the application of any term, provision or condition contained herein to any person or circumstance other than those to which it has been held invalid or unenforceable, shall not be affected thereby.

(G) Governing Law: This Agreement shall be governed by the laws of the Commonwealth of Virginia, and, in the event of litigation, jurisdiction and venue shall be in the Circuit Court of the City of Charlottesville, Virginia, and all legal actions involving this Agreement shall be brought only in such court. All parties hereto agree that in the event of any action brought to enforce the terms and provisions hereof, the prevailing party shall be entitled to reimbursement of reasonable attorney's fees and court costs. All parties to this Agreement have standing to enforce any covenants, terms, provisions, and agreements set forth herein.

(H) Entire Agreement: This Agreement is the entire agreement between the parties hereto, sets forth all of promises, agreements, conditions, and understandings between the parties respecting the subject matter hereof and supersedes all prior and contemporaneous negotiations, conversations, discussions, correspondence, memoranda, and agreements between the parties concerning such subject matter.

(I) Authorized City Signature: By its approval of this ordinance, the Charlottesville City Council authorizes the Charlottesville City Manager to execute Agreements to effectuate the requirements herein on its behalf.

(J) Amendments. Except as otherwise specified within Section 5(E) of this Ordinance, the City Manager is hereby authorized to modify terms and conditions set forth within this Ordinance, without Council review and approval, but only if such amendment(s) do **not** materially modify: **(i)** the number of affordable dwelling units to be provided by Recipient, or the length of the Affordability Period, or **(ii)** the dollar amount(s) of the Loan, as set forth within Section 3(B) of this Agreement. Any amendments of the terms referenced in

clauses (i) – (ii) preceding above within this paragraph must be approved by ordinance of City Council in the same manner as this Agreement.

(K) Notices. All notices required under this Agreement shall be given in writing, and shall be deemed to be received five (5) business days after being mailed by first class mail, postage prepaid, return receipt requested, or one (1) business day after being placed for next day delivery with a nationally recognized overnight courier service, or upon receipt when delivered by hand, addressed as follows: (i) if given to the City—to the City Manager, with a copy to the City Attorney, each to: 605 East Main Street, Second Floor, City Hall (P.O. Box 911), Charlottesville, Virginia, 22902, or (ii) if given to the Recipient—to SupprtWorks Housing, Attention: Executive Director, 1900 Cool Lane, Suite B, Henrico, VA 23223, with a copy to Lauren Nowlin, Williams Mullen, 200 South 10th Street, Suite 1600, Richmond, VA 23219, and a copy to the Project Lender at an address provided by the Recipient.

[Signatures on next page]

CITY OF CHARLOTTESVILLE, VIRGINIA

By: _____
City Manager

Date: _____

SUPPORTWORKS HOUSING

By: _____

Print Name: _____

Title: _____

Date: _____

Funds are Available:

By: _____
Director of Finance

Date: _____

Approved as to Form:

By: _____
Title: _____

EXHIBIT A

Legal Description of Property (Premier Circle/Vista 29 Project)

Albemarle County Parcel ID 061M0-00-006A0

Parcel 1:

ALL that certain lot, piece or parcel of land, with the improvements thereon and appurtenances thereunto belonging, lying and being in the Rio Magisterial District, Albemarle County, Virginia, containing 0.738 acre, more or less, and described as "New Lot 6A" on a plat by Timmons Group, dated November 18, 2022, last revised December 26, 2023, entitled "PLAT OF SUBDIVISION PREMIER CIRCLE BEING TAX MAP PARCEL 61M-6 IN THE RIO MAGISTERIAL DISTRICT ALBEMARLE COUNTY, VIRGINIA", recorded April 1, 2024 with a Deed of Dedication and Easement in the Clerk's Office, Circuit Court, Albemarle County, Virginia as Instrument No. 202400002459.

TOGETHER WITH the right to use the fifty (50) foot Access Easement shown on a plat made by William S. Roudabush, Inc., dated January 1, 1980, last revised March 11, 1980, recorded in said Clerk's Office in Deed Book 797, Page 242 and again in Deed Book 823, page 95 (the "Plat"), subject to the terms and conditions of the Declaration dated November 1, 1983, recorded in said Clerk's Office in Deed Book 797, Page 242; and granted by Deed recorded in said Clerk's Office in Deed Book 899, Page 333.

Parcel 2:

A one-seventh (1/7) interest in and to the fifty-foot (50') access easement shown as Parcel X on the Plat.

BEING a portion of the same real estate conveyed to PHA Premier Circle, LLC, a Virginia limited liability company, by deed from Triota, LTD, a Virginia corporation, dated March 9, 2021, recorded March 15, 2021 in the Clerk's Office, Circuit Court, Albemarle County in Deed Book 5498, Page 22, and by quitclaim deed of correction from Equity Residential, a Maryland real estate investment trust, as successor to The Charlottesville Motel Limited Partnership, an Ohio limited partnership, dated March 17, 2021, recorded March 19, 2021, in said Clerk's Office in Deed Book 5502, Page 389.

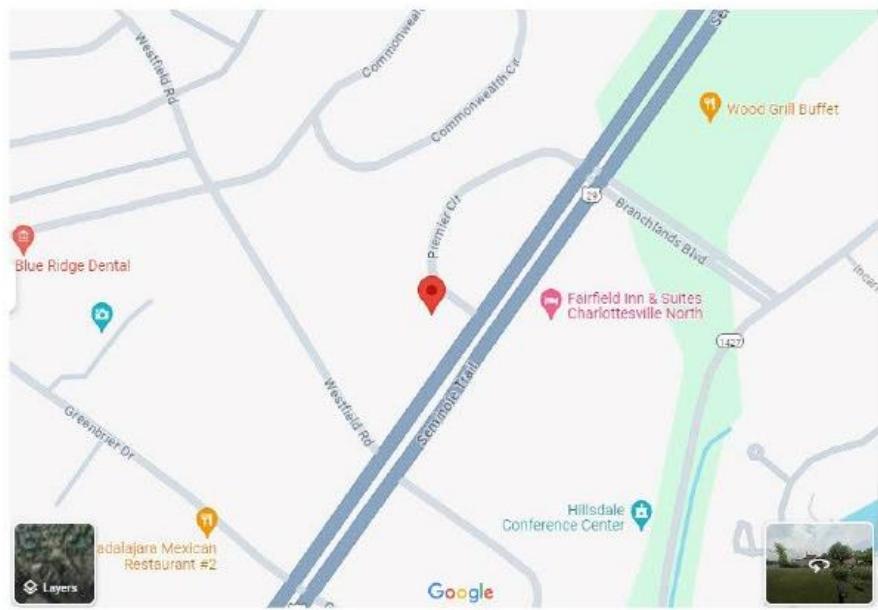
Parcel 3:

Reciprocal Access and Parking Easement between PHA Premier Circle, LLC, a Virginia limited liability company, and Premier Circle PSH, LLC, a Virginia limited liability company, dated February 10, 2025, and recorded in said Clerk's Office prior hereto.

Being a portion of the property conveyed to Grantor by deed from PHA Premier Circle, LLC, a Virginia limited liability company, recorded in said Clerk's Office prior hereto.

EXHIBIT B
Premier Circle/Vista 29 Location Map

Premier Circle PSH Location Map



Prepared by and Return to:
Premier Circle PSH, LLC
1900 Cool Lane, Suite B
Richmond, Virginia 23223

Re: Albemarle County Real Estate Parcel Id. No. 061M0-00-00-006A0

DECLARATION
OF AFFORDABLE HOUSING COVENANTS
(RENTAL)

THIS DECLARATION OF AFFORDABLE HOUSING COVENANTS (RENTAL) (hereinafter, “Covenant”) is made as of the _____ day of _____, 2026 (“Effective Date”), by Premier Circle PSH, LLC (“Premier Circle PSH”, and sometimes referred to herein as the “Project Owner” and/or “Grantor”), having an address of 1900 Cool Lane, Suite B, Richmond, Virginia 23223, and by SupportWorks Housing (“SupportWorks” or “Grantor” or “Recipient”), having an address of 1900 Cool Lane, Suite B, Richmond, Virginia 23223, for the benefit of the CITY OF CHARLOTTESVILLE, a municipal corporation, located at 605 East Main Street, City Hall, Charlottesville, Virginia, 22902 (the “City” or “Grantee”).

RECITALS

R-1. Project Owner is the fee simple owner of certain real property located in Albemarle County, Virginia (“the County”) as further described in Exhibit A (the “Property”) attached to this Covenant, which Property will include the development of affordable residential rental units and called **Vista 29**, which development, including the Property and all assets of whatsoever nature situated, owned, or used in or arising out of or otherwise related to the construction and the ownership or operation of the development (hereinafter referred to as the “Project”).

R-2. To further the public purpose of increasing the affordable housing stock within the region and, in particular, on the Property, the City is willing to loan certain public funding to Recipient, in accordance with the provisions of Virginia Code §15.2-958.

R-3. The City and Project Owner desire to set forth herein the terms, restrictions, and conditions upon which Project Owner will construct, maintain, and lease the Rental Affordable Units within the Project.

R-4. By Ordinance adopted on August 5, 2024, and any amendments made thereto, the City agreed to loan public funding pursuant to the provisions of Va. Code §15.2-958, to subsidize construction of streets, utilities and other site improvements essential to the Project and to support the production of new units of residential rental property within the Project, to be occupied following construction by persons of low and moderate income. The City’s adoption of the City Ordinance was induced by the Project Owner’s representation that all

the residential units within the Project will be Affordable Units.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties hereby declare, covenant and agree as follows, with respect to the Property described within Exhibit A to this Covenant:

ARTICLE I

DEFINITIONS

For the purposes of this Covenant, the capitalized terms used herein shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as, the singular.

Affordability Period: is thirty (30) years, calculated as set forth within Article X.

Affordability Requirement: has the meaning given in Section 2.1

Affordable Unit: means a residential dwelling unit for occupancy by a household having household income at or below 60% of Area Median Income who are paying no more than 30% of income for for-rent, which housing will be used to satisfy the Affordability Requirement, all of which shall be identified in the Affordable Unit Index. Where the term “Committed Affordable Unit” or “Committed Rental Affordable Unit” is used, said term refers to an Affordable Unit or Rental Affordable Unit committed by means of this Covenant to satisfy the Affordability Requirement throughout the Affordability Period.

Affordable Unit Marketing Plan: means Project Owners’ plan(s) for marketing the rental of the Affordable Units, as approved by the Agency pursuant to Section 2.3.

Affordable Unit Occupant: means a Qualified Tenant who lease(s) a Rental Affordable Unit.

Agency: means the Office of the Charlottesville City Manager, and any successor department whose mission includes administration of the City’s Affordable Housing Program.

Area Median Income (AMI): means median family income limits for the City of Charlottesville, Virginia, established and adjusted by the U.S. Department of Housing and Urban Development (HUD) annually by household size.

Annual Household Income: means the aggregate annual income of a Household as determined by using the standards set forth in 24 CFR § 5.609, as may be amended, or as otherwise set forth by the Agency.

Annual Report: has the meaning given in Section 4.10.

Business Day means Monday through Friday, inclusive, other than holidays recognized by the City of Charlottesville government.

CAO means the Office of the City Attorney for the City of Charlottesville, Virginia.

Certificate of Tenant Eligibility means a certification by a Household at its initial occupancy of an Affordable Unit, in a form approved by the Agency, that shall be given to the Agency, Landowner, and the Certifying Authority, representing and warranting the following: (a) the Household is a Qualified Tenant and has disclosed all of its Annual Household Income to the Certifying Authority, (b) the Household's Annual Household Income is at or below the maximum Annual Household Income for the applicable Affordable Unit, (c) the Household has been informed of its rights and obligations under this Covenant, (d) the Household intends to occupy the Affordable Unit as its principal residence, (e) that the Household size is within the Occupancy Standard for the Affordable Unit, and (f) any other reasonable and customary representations requested by the Agency.

Certification of Income: means a certification made by a Certifying Authority that verifies the Annual Household Income of a Qualified Tenant meets the Designated Affordability Level for an applicable Affordable Unit and meets the requirements of Section 4.5 or Section 5.2.1, as applicable, in such form as the Agency approves.

Certification of Inspection: means a certification by Project Owner that it has performed or caused to be performed an inspection of a Rental Affordable Unit and that, to the best of Landowner's knowledge, such Rental Affordable Unit is in compliance with all applicable statutory and regulatory requirements, in such form as the Agency approves.

Certifying Authority: means SupportWorks Housing or any entity or entities approved by the Agency pursuant to Section 2.4.

City Ordinance: means that certain ordinance adopted by the Charlottesville City Council on June 17, 2024, pursuant to Virginia Code §15.2-958, and any amendments made thereto, to approve and establish guidelines for the production of new housing for persons of low and moderate income within the Project and to assure that such housing will be occupied following construction by low and moderate income persons throughout the Affordability Period.

Code: means the Internal Revenue Code of 1986, as amended.

Designated Affordability Level (DAL): means the percentage of AMI assigned to each Affordable Unit, at or below which a Qualified Tenant's Annual Household Income must fall.

Household(s): means all individuals who will occupy the Affordable Unit, including all individuals over eighteen (18) years of age whose names will appear on the lease, the purchaser's or tenant's as applicable, spouse or domestic partner and children under eighteen (18) years of age. A Household may be a single family, one (1) individual living alone, two (2) or more families living together, or any other group of related or unrelated individuals who share living arrangements as allowable by this Covenant.

Household Size Adjustment Factor (HAF): means the factor related to the number of individuals in a Household for the purpose of establishing the Maximum Annual Household income of an Affordable Unit, as set forth in the following table:

Household Size	Household Adjustment Factor
1	0.7
2	0.8
3	0.9
4	1
5	1.1
6	1.2

Housing Cost: means the total monthly payments for rent and Utilities for Rental Affordable Units.

HUD: means the United States Department of Housing and Urban Development.

Levels of Affordability refers to the Tiers of Affordable Housing defined in terms of AMI. Families earning: between 120 and 80% AMI are considered “moderate-income”; between 80 and 50% AMI, “low-income”; between 50 and 30% AMI, “very low-income” and below 30% AMI, “extremely low-income.”

Loan Acceptance Agreement: means that certain loan agreement by and between SupportWorks Housing (formerly Virginia Supportive Housing) and the City to be dated and executed following closing of the acquisition of the fee simple interest in the Property by the Project Owner, approved by Ordinance adopted by Charlottesville City Council on August 5, 2024, and any amendments made thereto, including the promise to construct the Affordable Units in accordance with this Covenant.

Market Rate Unit: means each Residential Unit that is not an Affordable Unit.

Maximum Allowable Rent: as defined in Section 4.4.2.

MAXI: is the maximum Annual Household Income of a Household occupying an Affordable Unit as calculated pursuant to Section 4 for Rental Affordable Units.

Occupancy Standard: means the minimum and maximum number of individuals permitted to occupy any given Affordable Unit, as identified in the following chart:

Affordable Unit Size (Number of Bedrooms)	Minimum Number of Individuals in Affordable Unit	Maximum Number of Individuals in Affordable Unit
Studio/Efficiency	1	1
1	1	2
2	2	4
3	4	6
4	6	8
5	8	10
6	10	12

Occupancy Standard Factor: means the factor related to the assumed number of occupants for the purpose of establishing the Maximum Allowable Rent or Maximum Allowable of an Affordable Unit as set forth in the following table:

Size of Affordable Unit	Occupancy Pricing Standard	Occupancy Standard Factor
Efficiency Studio	1	.7
1 Bedroom	2	.8
2 Bedroom	3	.9
3 Bedroom	5	1.1

Over-income Tenant: as defined in Section 4.6.5.

Person: means any individual, corporation, limited liability company, trust, partnership, limited partnership, or other legal entity.

Project: means the structures, landscaping, hardscape and/or site improvements to be constructed or placed on the Property developed and owned by a Project Owner, including without limitation the Rental Affordable Units referred to within the definition of "**Affordability Requirement.**"

Project Owner: means any person that has an interest in the Property deriving from the Option described with the Recital(s), including, without limitation all of the Project Owner's assignees, transferees, sublessees, subtenants, successors in interest.

Property: refers to the land described on Exhibit A, incorporated herein by reference.

Qualified Tenant: each means a Household that (i) has an Annual Household Income, as certified by the Certifying Authority, less than or equal to the Maximum Annual Household Income for the applicable Affordable Unit at the time of leasing and subsequent lease renewals, (ii) shall occupy the Affordable Unit as its principal residence, (iii) shall not permit exclusive occupancy of the Affordable Unit by any other individual(s), (iv) shall use and occupy the Affordable Unit as an Affordable Unit subject to the Affordability Requirement and this Covenant and (v) shall occupy the Affordable Unit within the Occupancy Standard.

Rental Affordable Unit: means an Affordable Unit that shall be leased to a Qualified Tenant.

Rental Affordable Unit Lease Rider: is that certain lease rider, which is attached to this Covenant as **Exhibit B** and incorporated herein, as the same may be amended from time to time with the written approval of the Agency.

Rental Formula: is defined in **Section 4.4.2.**

Residential Unit: means a residential dwelling unit constructed within the Project for residential occupancy by one or more individuals who comprise a household.

Utilities: means water, sewer, electricity, and natural gas.

ARTICLE II

AFFORDABILITY REQUIREMENT

2.1 Requirement of Affordability. All of the Residential Units within the Project shall be constructed and reserved as Rental Affordable Units, subject to the Affordability Requirement. For all purposes of this Covenant, the term “**Affordability Requirement**” means and refers to all of the following:

2.1.1. All Residential Units within the Project shall be Rental Affordable Units.

2.1.2. All Rental Affordable Units are subject to the Affordability Period.

2.1.3. All Rental Affordable Units are subject to the income limitations under subsection (g)(1) and the rent restrictions under subsection (g)(2) of Section 42 of the Internal Revenue Code of 1986, as amended (the “**Code**”).

2.1.4. Rental Affordable Units shall be subject to the following:

(a) The eighty (“80”) Residential Units within the Project shall be Rental Affordable Units (“**Required Rental Affordable Units**”). The Required Rental Affordable Units are further subject to the following conditions:

(i) no fewer than 12 Required Rental Affordable Units shall be rented to Households with a MAXI of 40% Area Median Gross Income; and

(ii) no fewer than 28 Required Rental Affordable Units shall be rented to Households with a MAXI of 50% Area Median Gross Income; and

(iii) no fewer than 40 Required Rental Affordable Units shall be rented to Households with a MAXI of 60% Area Median Gross Income;

(b) Additional Rental Affordable Units may be provided within the Project.

2.2 Affordable Unit Standards and Location.

2.2.1 [Reserved]

2.2.2 [Reserved]

2.2.3 [Reserved]

2.2.4 *Exterior Finishes.* Exterior finishes of Affordable Units will be consistent across tiers of affordability.

2.2.5 *Interior Finishes.* Interior base finishes, appliances and equipment in the Affordable Units shall be similar across tiers of affordability.

2.2.6 *Affordable Unit Location.* As allowed within the parameters of LIHTC compliance guidelines or other federal law, Affordable Units of various tiers shall be dispersed throughout the Project and

shall not be concentrated on any one floor within a building, or within a section of the Project.

2.3 Marketing Affordable Units. Project Owner shall create an Affordable Unit Marketing Plan that sets forth its plan for marketing the Affordable Units to Households who may be Qualified Tenants. The Affordable Unit Marketing Plan shall be subject to the Agency's prior written approval and shall be submitted to and approved by the Agency prior to marketing any Affordable Units for rent. Project Owner may contract with the Certifying Authority to implement the Affordable Unit Marketing Plan.

2.4 Certifying Authority. Project Owner shall select a Certifying Authority, which shall be subject to the Agency's prior written approval, not to be unreasonably withheld, conditioned, or delayed. Project Owner may contact the Agency with questions and information about the selection of a Certifying Authority. The Certifying Authority shall review documentation and verify a Household's Annual Household Income and Household's size to determine whether that Household is a Qualified Tenant. If a Household is determined to be a Qualified Tenant, the Certifying Authority shall issue a Certification of Income for the subject Household.

ARTICLE III

USE

3.1 Use. Except as provided herein, all occupants of Rental Affordable Units shall have the same and equal use of all the amenities of the Parcel and services provided at the Parcel (except if unique services are required for certain tenants as approved by the Agency). No restrictions, requirements, or rules shall be imposed on occupants of Rental Affordable Units at any tier of affordability that are not imposed equally on the tenants of the Rental Affordable Units within other tiers of affordability. If amenities, services, upgrades, or ownership or rental of parking and other facilities are offered as an option to occupants of the Rental Affordable Units at any tier of affordability, such amenities, services, upgrades, or rental of parking and other facilities shall be offered to occupants of the Rental Affordable Units at other tiers of affordability. If there is no cost or fee charged to the occupants of the Rental Affordable Units at one tier of affordability for such amenities, services, upgrades, or rental of parking and other facilities, there shall not be a cost or fee charged to occupants of Rental Affordable Units at other tiers of affordability.

3.2 Demolition/Alteration. Subject to normal wear and tear, Project Owner shall maintain, upkeep, repair and replace interior components (including fixtures, appliances, flooring, and cabinetry) of each Rental Affordable Unit with interior components of equal or better quality than those interior components being replaced.

ARTICLE IV

RENTAL OF AFFORDABLE UNITS

4.1 Lease of Rental Affordable Units. Project Owner shall reserve, maintain, and lease the Rental Affordable Units to Qualified Tenants (a) in accordance with this Covenant, and (b) at a rate paid by the Qualified Tenant at or below the Maximum Allowable Rent.

4.2 **Rental Affordable Unit Lease Requirements.**

4.2.1 *Form of Lease.* To lease a Rental Affordable Unit to a Qualified Tenant, Project Owner shall use a lease agreement to which is attached and incorporated a Rental Affordable Unit Lease Rider, as may be amended from time to time. The Rental Affordable Unit Lease Rider shall be executed by Project Owner and each Qualified Tenant prior to the Qualified Tenant's occupancy of the Rental Affordable Unit. Any occupant of the Rental Affordable Unit who is eighteen (18) years or older shall be a party to the lease agreement and shall execute the Rental Affordable Unit Lease Rider.

4.2.2 *Effectiveness of Lease.* The lease of a Rental Affordable Unit shall only be effective if a Rental Affordable Lease Rider, a Certification of Income, and a Certificate of Tenant Eligibility are attached as exhibits to the lease agreement. Failure to attach the foregoing shall render the lease null and void *ab initio*.

4.2.3 *Requirement to Maintain Copies of Leases of Rental Affordable Units.* Project Owner shall maintain or cause to be maintained copies of all initial and renewed leases executed with Qualified Tenants for a period of no less than five (5) years from the expiration or termination of such lease.

4.3 **Rental Affordable Unit Admissions Process.**

4.3.1 *Referrals.* Project Owner may obtain referrals of prospective tenants of Rental Affordable Units from federal, County, City of Charlottesville, and Virginia Housing Development Authority (Virginia Housing) agencies, provided such referrals comply with the requirements of this Covenant, Fair Housing laws, and the requirement that units be generally available to the public. In all events, before a prospective tenant leases a Rental Affordable Unit, their Annual Household Income shall be verified by a Certifying Authority.

4.3.2 *Consideration of Applicants.* For the initial occupancy of the Rental Affordable Units, Project Owner shall select Qualified Tenants through a first-come, first-served system, or other system approved by the Agency, as shall be further provided in the Affordable Unit Marketing Plan. Following the initial occupancy of the Affordable Units, Project Owner shall consider each applicant in the order in which received, whether received pursuant to the Affordable Unit Marketing Plan or referred pursuant to Section 4.3.1. Tenants of Rental Affordable Units participating in the Project-Based Section 8 Program shall be selected in accordance with requirements of that federal program. Any and all of the foregoing shall be consistent with federal Fair Housing laws and regulations and any units financed under the Code (tax credit or tax-exempt bond financed projects) must be generally available to the public.

4.3.3 *Rejection of Applicants.* In connection with the leasing of a Rental Affordable Unit, Project Owner may reject any applicant if, after diligent review of such applicant's application, Project Owner determines in good faith that such applicant does not meet criteria to lease or occupy a Rental Affordable Unit, provided such criteria do not violate applicable County, City of Charlottesville and federal laws and is the same criteria used to lease or occupy any Market-Rate Units. In the event any rejected applicant raises an objection or challenges Project Owner's rejection of such applicant, Project Owner shall be solely responsible for ensuring that it's rejection of such applicant is not in

violation of federal or local law. Project Owner shall provide the Agency with all documents evidencing Project Owner's review and rejection of an applicant, upon the request of the Agency.

4.3.4 *Determination of Eligibility.* Each tenant seeking to occupy a Rental Affordable Unit shall have its Annual Household Income verified by and obtain a Certification of Income from the Certifying Authority prior to leasing such unit. Housing Choice Vouchers (or vouchers from similar programs) shall be an acceptable source of verifiable household income, for the Rental Affordable Units.

4.4 Initial Rental Affordable Unit Lease Terms.

4.4.1 *Term.* The term of any new Rental Affordable Unit lease agreement shall be for a period of one (1) year.

4.4.2 *Establishment of Maximum Rent—Rental Formula.* Rents on Rental Affordable Units shall be rent restricted. Rents for units with project-based rental subsidies or 811 rental assistance contracts will be based on 100%-110% of Fair Market Rent (FMR). Tenant will pay 30% of their income in rent. Rents for the remaining 18 units will be based on affordable rent for the income, usually set at \$750. Utilities are paid by the property.

4.5 Income Determinations. The Annual Household Income for a prospective tenant of a Rental Affordable Unit shall be determined as of the date of the lease or lease renewals for such Rental Affordable Unit annually. A household's income eligibility will be determined using the applicable HUD AMI for the relevant household size.

4.6 Subsequent Lease Years

4.6.1 *Use of Rental Formula.* For each lease year after the first lease year, Maximum Allowable Rent shall be determined in the same manner specified within Section 4.4.2, above, in accordance with and subject to the applicable LIHTC requirements and local Public Housing Authority administering the project based vouchers or rental assistance as applicable.

4.6.2 *Renewal by Tenants of Affordable Units.* For each tenant of a Rental Affordable Unit who intends to renew its residential lease, no earlier than ninety (90) days and no later than thirty (30) days before each anniversary of the first day of a residential lease, Project Owner shall obtain a Certification of Income completed by the Certifying Authority. Project Owner shall not permit a renewal of a lease for a Rental Affordable Unit unless the tenant has provided the documents as required herein and the tenant is determined to be a Qualified Tenant. If the tenant fails to provide such documents, Project Owner shall treat such tenant as an Over-Income Tenant and charge market-rate rent, and Project Owner shall designate another unit as a Rental Affordable Unit in accordance with Section 4.6.6. The foregoing Certifications and requirements to be a continuing Qualified Tenant shall be as provided in Section 42 of the Code for any period when the requirements of the Low-Income Housing Tax Credits and the Extended Use Agreement are binding on the Parcel, in accordance with and subject to the applicable LIHTC requirements and local Public Housing Authority administering the project based vouchers or rental assistance as applicable.

4.6.3 Annual Recertification of Tenants. Upon receipt of renewal documents from the tenant of a Rental Affordable Unit at the time of recertification, Certifying Authority shall determine the tenant's household income eligibility pursuant to Section 4.5 for the subject Rental Affordable Unit and notify the tenant of the same within fifteen (15) days prior to the expiration of the then-current lease term. Any tenant whose Annual Household Income remains at or below the MAXI for the subject Rental Affordable Unit will be eligible to remain in the Rental Affordable Unit and to renew his/her lease at the then-current lease rate for the particular Rental Affordable Unit. The foregoing Certifications and requirements to be a continuing Qualified Tenant shall be as provided in Section 42 of the Code for any period when the requirements of the Low-Income Housing Tax Credits and the Extended Use Agreement are binding on the Parcel, in accordance with and subject to the applicable LIHTC requirements and local Public Housing Authority administering the project based vouchers or rental assistance as applicable.

4.6.4 Annual Recertification of Under Income Tenants. Upon annual recertification, any tenant whose Annual Household Income remains at or below the MAXI for the subject Rental Affordable Unit may elect either to (i) remain in the Rental Affordable Unit up to the then-current Maximum Allowable Rent for the subject Rental Affordable Unit or (ii) vacate the Rental Affordable Unit at the end of the tenant's lease term, in accordance with and subject to the applicable LIHTC requirements and local Public Housing Authority administering the project based vouchers or rental assistance as applicable.

4.6.5 Annual Recertification of Over-Income Tenants. Upon annual recertification, if a tenant's Annual Household Income is determined to exceed the MAXI for the subject Rental Affordable Unit (such tenant, an "**Over-Income Tenant**"), then the Over-Income Tenant may elect to remain in the Rental Affordable Unit and pay the rent applicable to (a) a higher Designated Affordability Level, if a higher Designated Affordability Level exists for the Property, for which the Over-Income Tenant's Annual Household Income qualifies, whereupon Project Owner shall change the Designated Affordability Level of the Rental Affordable Unit to the higher Designated Affordability Level pursuant to Section 4.6.6, or (b) a like-sized Market-Rate Unit, if applicable, if the Over-Income Tenant's Annual Household Income does not qualify for a higher Designated Affordability Level, but qualifies for a like-sized Market-Rate Unit, whereupon Project Owner shall designate a Market-Rate Unit as a Rental Affordable Unit pursuant to Section 4.6.6, in accordance with and subject to the applicable LIHTC requirements and local Public Housing Authority administering the project based vouchers or rental assistance as applicable.

4.6.6 Changes to Unit Location. If applicable, Project Owner may change the designation of a Rental Affordable Unit to a new Designated Affordability Level or to a Market-Rate Unit as necessary to allow an Over-Income Tenant to remain in the unit (i.e., to accommodate an existing tenant). Following any change in designation of a Rental Affordable Unit to a higher Designated Affordability Level or to a Market-Rate Unit of similar size and location in the property to the lower Designated Affordability Level from which the original Rental Affordable Unit had been changed in order to bring the Property in conformity with the Affordability Requirement, in accordance with and subject to the applicable LIHTC requirements and local Public Housing Authority administering the project based vouchers or rental assistance as applicable.

4.6.7 *Rent from Subsidies.* Nothing herein shall be construed to prevent Project Owner from collecting rental subsidy or rental-related payments from any federal, state, County, or City of Charlottesville agency paid to Project Owner and/or the tenant of a Rental Affordable Unit, to the extent receipt of such payment is otherwise in compliance with the requirements of this Covenant. Such rental subsidy or rental-related payment shall not be included in determining Maximum Chargeable Rent or the income of an otherwise Qualified Tenant, all as provided in the Code, in accordance with and subject to the applicable LIHTC requirements and local Public Housing Authority administering the project based vouchers or rental assistance as applicable.

4.7 **No Subleasing of Rental Affordable Units.** The tenant of a Rental Affordable Unit may not sublease any portion of its Rental Affordable Unit or assign its lease to any other Household, and Project Owner shall not knowingly allow such Rental Affordable Unit to be subleased, except with the Agency's prior written consent, in the Agency's sole and absolute discretion. No Rental Affordable Unit may be offered or used for any short-term rental or other transient occupancy.

4.8 **Representations of Affordable Unit Tenant.** By execution of a lease the tenant of a Rental Affordable Unit shall be deemed to represent and warrant to the Agency and Project Owner, each of whom may rely thereon, that the tenant's household meets, and will continue to meet, all eligibility requirements contained in this Covenant for a Qualified Tenant of a Rental Affordable Unit.

4.9 **Representations of Project Owner.** By execution of a lease for a Rental Affordable Unit, Project Owner shall be deemed to represent and warrant to the Agency, which may rely on the following, that: (i) the Household is determined to be a Qualified Tenant by the Certifying Authority, and (ii) Project Owner is not collecting more than the Maximum Allowable Rent from the Tenant.

4.10 **Annual Reporting Requirements.** Beginning in the first year that any Rental Affordable Unit is occupied by a tenant, Project Owner shall provide an annual report ("Annual Report") to the Agency regarding the Rental Affordable Units, which shall be submitted on each anniversary date of the Effective Date of this Covenant.

4.10.1 *The Annual Report shall include the following:*

- (a) the number and identification of Project Owner's Rental Affordable Units, by bedroom count, that are occupied;
- (b) the number and identification of Project Owner's Rental Affordable Units, by bedroom count, that are vacant;
- (c) for each Rental Affordable Unit that is vacant or that was vacant for a portion of the reporting period, the manner in which the Rental Affordable Unit became vacant (e.g. eviction or voluntary departure), the length of vacancy, and the progress in re-leasing that unit;

(d) a sworn statement that, to the best of Project Owner's information and knowledge, the Household occupying each Affordable Rental Unit meets the eligibility criteria of this Covenant for a Qualified Tenant;

(e) a sworn statement that, to the best of Project Owner's information and knowledge, a copy of each new or revised Certification of Income has been collected for each Household renting a Rental Affordable Unit;

4.10.2 The Annual reports shall be retained by Project Owner for a minimum of five (5) years after submission and shall be available, upon reasonable notice, for inspection by the Agency or its designee. Notwithstanding anything contained herein to the contrary, if Project Owner provides a report to an agency within the City government with content substantially similar to the content of the Annual Reports described in this section, subject to the Agency's prior written approval, then the reporting requirements under this section shall be satisfied upon Project Owner's delivery of such report to the Agency. The Agency may request Project Owner to provide additional information in support of its Annual Report, as necessary for the Project Owner to verify compliance with the requirements of this Covenant.

4.10.3 Recipient shall be accessible and responsible to communication and feedback from the City, including but not limited to inquiries regarding program compliance, monitoring, site visits, and general inquiries related to the project.

4.10.4 Recipient will keep books and accounts documenting how the funding provided as a part of this agreement is expended. All costs shall be supported by properly executed payrolls, time records, invoices with accompanying acceptable satisfaction payment, vouchers or other accounting records, as evidence of the nature and propriety of expenditures of the VCF Funding. All books and accounts pertaining in whole or in part to this agreement shall be clearly identified and readily accessible. Records kept by Recipient shall be based on the activities carried out during the Period of Performance. Recipient shall maintain its books and accounts pertinent to his agreement for a period of 5 years following the expiration of the Period of Performance. The Recipient shall be responsible for the proper maintenance, security, and documentation of all items purchased with the funding provided as a part of this agreement.

4.10.5 At any time during the Period of Performance for a period of 5 years following the expiration of the Period of Performance, following reasonable advance notice to Recipient, the City may conduct an on-site, desk review, or virtual review of Recipient's Activities, may review the books and accounts of the Recipient for the purpose of monitoring how the funding provided as a part of this agreement has been expended by the Recipient, or may take such actions as deemed reasonable necessary by the City to verify the funding has been expended for the purposes for which it was awarded.

4.11 **Confidentiality.** Except as may be required by applicable law, including, without limitation, the Virginia Freedom of Information Act, Project Owner, the Certifying Authority and the Agency shall not disclose to third parties, other than Project Owner's Investor Member, the personal information of the Households, including the identity of the members of the Households, submitted as a part of the Annual

Report.

4.12 Inspection Rights. The Agency or its designee shall have the right to inspect the Rental Affordable Units, upon reasonable advance notice to the Project Owner and during normal business hours as provided in the Leases and each Owner shall include notice of the Agency's right of inspection within all Leases of the Rental Affordable Units. If Project Owner receives such notice, Project Owner shall, in turn, give reasonable advance notice of the inspection to the tenant(s) occupying the specific Rental Affordable Unit(s). The Agency or its designee shall have the right to inspect a random sampling of the Rental Affordable Units to confirm that the units comply with applicable statutory and regulatory housing requirements and the provisions of this Covenant. The Agency or its designee shall have the right to conduct audits of a random sampling of the Rental Affordable Units and associated files and documentation to confirm compliance with the requirements of this Covenant.

4.13 Option to Lease. Following the expiration of any Extended Use Agreement binding on the Property in connection with the allocation of any Low Income Housing Tax Credits, pursuant to Section 42 of the Code, including any extension period thereof, if the Property Owner, or any affiliated successor in interest in the Property, no longer intends to use the Property to provide affordable housing, then the Property Owner, or any affiliated successor in interest in the Property, shall use commercially reasonable efforts to extend to the City the right to lease up to twenty percent (20%) of the Rental Affordable Units for a term of forty (40) years at a rental rate not to exceed that which would be payable by a household of four persons having an income of eighty percent (80%) AMI. In the foregoing sentence, "commercially reasonable efforts" may include requesting approval, as applicable, of Virginia Housing (as hereinafter defined), all lenders of the Property Owner or affiliated successor in interest, and all tax credit investors of the Property Owner or affiliated successor in interest.

ARTICLE V

[RESERVED]

ARTICLE VI

DEFAULT; ENFORCEMENT AND REMEDIES

6.1 Default; Remedies. In the event Project Owner defaults under any term of this Covenant, and Project Owner does not cure such default within sixty (60) days following written notice of such default from the Agency, the City shall have the right to seek specific performance, injunctive relief or other equitable remedies, including compelling the leasing of an Affordable Unit and the disgorgement of rents proceeds in excess of the rental rates permitted hereunder, for any default(s). In the event such cure cannot reasonably be affected within the 60-day period, the Project Owner may request such additional time as may reasonably be necessary to cure such default provided the Project Owner has promptly initiated and diligently pursued such cure. Project Owner shall give notice of any such default to Project Owner's investment member, and any cure provided by such investor member shall be acceptable to the City as if rendered by Project Owner directly.

If Project Owner is in default under the terms of the Covenant, prior to exercising any remedies thereunder, the City shall provide simultaneous written notice of such default to Project Owner's investor member (the "**Investor Member**") if Project Owner or Investor Member has kept the City informed of the name and contact information for the Investor Member. Investor Member shall have the independent right to cure any defaults within the time periods set forth above. City hereby agrees that any cure of any default made or tendered by the Investor Member shall be (i) deemed to be a cure by Project Owner, and (ii) accepted or rejected on the same basis as if made or tendered by Project Owner.

6.2 Right to Attorney's Fees. In any legal action to enforce this Covenant, the non-prevailing party shall pay the prevailing party's reasonable attorney fees and litigation costs incurred in connection with the prevailing party's efforts to enforce this Covenant. If the Charlottesville City Attorney's Office (CAO) serves as counsel for the City in such legal action, the reasonable attorney fees for the City shall be calculated based on the then applicable hourly rates prevailing within private practice within the City of Charlottesville, Virginia, and the number of hours that employees of the CAO prepare for or participated in any such action.

ARTICLE VII

COVENANT BINDING ON SUCCESSORS AND ASSIGNS

This Covenant is and shall be binding upon the Property and shall run with the land and any interest therein as of the Effective Date through the Affordability Period. The rights and obligations of City and Project Owner shall be binding upon and inure to the benefit of the said parties and their respective heirs, successors, and assigns; provided however that all rights of City pertaining to the monitoring and/or enforcement of the obligations of Project Owner shall be retained by City, or such designee of the City as the City may so determine. No sale, transfer or foreclosure shall affect the validity of this Covenant, except as otherwise expressly provided within this Covenant.

ARTICLE VIII

[RESERVED]

ARTICLE IX

AMENDMENT OF COVENANT

Except as otherwise provided herein, neither this Covenant, nor any part hereof, can be amended, modified or released, unless such amendment, modification or release is set forth within a written instrument executed by a duly authorized official of the Agency on behalf of the City, and by a duly authorized representative of a Project Owner and recorded in the respective land records in Albemarle County. Any amendment to this Covenant that alters the terms and conditions set forth herein shall be recorded among the respective land records before it shall be deemed effective.

ARTICLE X

AFFORDABILITY PERIOD

10.1. All Affordable Units in the Project shall be and remain Affordable in accordance with the terms of this Covenant for a period of thirty (30) years (the “Affordability Period”). The Affordability Period for each Rental Affordable Unit shall commence upon the issuance of a certificate of occupancy by the County’s Building Code Official for that unit and shall continue for a period of thirty (30) years thereafter. Notwithstanding the foregoing, this Covenant may be released and extinguished upon the approval of the Agency, in its sole and absolute discretion.

10.2. Notwithstanding the foregoing, in the event the Project, or the Project Owner’s interest in the Property, is foreclosed upon by an institutional or governmental lender following foreclosure by, or deed in lieu of foreclosure to a Mortgagee in a superior position, or a Mortgage in a superior position is assigned to the Secretary of HUD, the terms of this Covenant applicable to such unit shall automatically terminate subject to Sections 10.3.

10.3. Notwithstanding the foregoing Section 10.2, if Virginia Housing Development Authority/VHDA (“**Virginia Housing**”) is first lienholder and senior lender, and Virginia Housing is the successful bidder at foreclosure and becomes the successor in interest in the Property, then the income, rent or use restrictions required by this Covenant shall terminate, except as otherwise agreed to by Virginia Housing and the City. If Virginia Housing becomes the owner of the Property as provided in the foregoing sentence, the City shall negotiate future affordability requirements of the Property directly with Virginia Housing. In such instance, the City desires to maintain affordability of the Property as follows: (i) twenty percent (20%) of the units within the Project to remain at sixty percent (60%) of area median income following such a foreclosure, and (ii) additional units at 60% AMI to survive such a foreclosure, provided that Virginia Housing determines, in its sole discretion, that the development will achieve a targeted debt service coverage rate (DCSR) of at least 1.25 while subject to such additional set-aside.

The City Manager, with the approval of the City Attorney’s Office, shall have the authority to renegotiate income, rent and use restrictions required by this Covenant, and to enter into a binding amendment of this Covenant without the requirement for City Council approval, if necessary to facilitate the Project Owner’s receipt of financing from Virginia Housing, provided that the renegotiated terms are no less than those Virginia Housing itself requires in its own lending policies.

ARTICLE XI

NOTICES

11.1 Any notices given under this Covenant shall be in writing and delivered by United States mail (return receipt requested, postage pre-paid), delivered by hand, or delivered by private overnight commercial courier service to the applicable Person at the addresses specified in this Article, or to such other persons or locations as may be designated in writing by the City or the Project Owner from time to time. All notices to be sent to the City shall be sent to the following address:

CITY: Charlottesville City Manager
P.O. Box 911, Charlottesville, Virginia 22902

With a copy to: Charlottesville City Attorney
P.O. Box 911, Charlottesville, Virginia 22902

11.2 All notices to be given to Project Owner shall be given by email, mail or delivery to:

Premier Circle PSH, LLC
1900 Cool Lane, Suite B
Richmond, VA 23223
Allison Bogdanovic, Executive Director
ABogdanovic@supportworkshousing.org

And to the Project Owner's Investor Member, given by mail or delivery to:

VCDC Equity Fund 28, LLC
An entity of VCDC
115 South 15th Street, Suite 501
Richmond, VA 23219
Attention: Steve Bleile
sbleile@vacdc.org
(804) 482-6231

All notices to be given to the tenant of a Rental Affordable Unit shall be sent to the unit number referenced in its lease. It shall be the responsibility of the applicable person and any successor to give written notice to the City of its mailing and delivery addresses. The failure of the applicable person to keep the City apprised in writing of its mailing and delivery address(es) shall constitute a default under this Covenant.

11.3 Notices shall be deemed delivered as follows: (i) if hand-delivered, then on the date of delivery or refusal thereof; (ii) if by overnight courier service, then on the next business day after deposit with the overnight courier service; and (ii) if by certified mail (return receipt requested, postage pre-paid), then on the date of actual delivery or refusal thereof.

ARTICLE XII

MISCELLANEOUS

12.1 **Applicable Law; Venue.** This Covenant shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the Commonwealth of Virginia, without reference to the conflicts of laws provisions thereof. Each of the parties whose signatures are affixed to this Covenant irrevocably agrees on behalf of itself and each of its heirs, successors in interest and assigns, to submit to the jurisdiction of the appropriate Court for the jurisdiction for the purposes of any suit, action or other proceeding arising out of this Covenant or any transaction contemplated hereby. Each of the parties whose signatures are affixed to this Covenant, on behalf of itself and each of its heirs, successors in interest and assigns, irrevocably and

unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Covenant or the transactions contemplated hereby in the appropriate Court of the jurisdiction and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

12.2 Counterparts. This Covenant may be executed in any number of counterparts, each of which shall be an original but all of which shall together constitute one and the same instrument.

12.3 Time of performance. All dates for performance (including cure of any default) shall expire at 5:00 p.m. (Eastern Time) on the performance or cure date. A performance date which falls on a Saturday, Sunday or City holiday is automatically extended to the next Business Day.

12.4 Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LAW, ALL PARTIES HERETO WAIVE THE RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY LITIGATION ARISING IN RESPECT OF THIS COVENANT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

12.5 Further Assurances. Each party agrees to execute and deliver to the other party such additional documents and instruments as the other party may request in order to fully carry out the purposes and intent of this Covenant; provided that such additional documents and instruments do not materially increase the obligations or burdens upon the second party.

12.6 Severability. If any provision of this Covenant is held to be unenforceable or illegal for any reason, said provision shall be severed from all other provisions; all other provisions shall be and remain in effect without reference to the unenforceable or illegal provision.

12.7 Limitation on Liability. Provided that Project Owner has exercised due diligence in the performance of its obligations and duties herein, Project Owner shall not be liable in the event a Household submits falsified documentation, commits fraud, or breaches any representation or warranty contained in this Covenant. Notwithstanding the foregoing, Project Owner shall be liable if Project Owner has knowledge, or should have knowledge, that a Household submitted falsified documentation, committed fraud, or breached any representation or warranty contained in this Covenant.

12.8 Agency Limitation on Liability. Any review or approval by the City or the Agency shall not be deemed to be an approval, warranty, or other certification by the City or the Agency as to compliance of such submissions, the Project, any Affordable Unit or the Parcel with any building codes, regulations, standards, laws, or any other requirements contained in this Covenant, or any other covenant granted in favor of the city that is filed among the land records or otherwise contractually required. The City shall incur no liability in connection with the Agency's review of any submissions required under this Covenant as its review is solely for the purpose of protecting the City's interest under this Covenant.

12.9 No Third Party Beneficiary. Except as expressly set forth in this Covenant, there are no intended third party beneficiaries of this Covenant, and no Person other than City shall have standing to bring an action for breach of or to enforce the provisions of this Covenant.

12.10 Non-Waiver. The failure of any party to this Covenant to enforce any rights, reservations,

restrictions, easements or conditions contained in this Covenant, regardless of how long such failure shall continue, shall not constitute a waiver of or bar of such right to enforcement. The remedies granted hereunder are cumulative, and the exercise of anyone or more shall not be deemed an election of remedies or waiver of the right to pursue other remedies.

12.11 Representations of Project Owner. As of the date hereof, Project Owner hereby represents and warrants to City as follows:

- (a) This Covenant has been duly executed and delivered by Project Owner, and constitutes the legal, valid and binding obligation of said persons, enforceable against said persons, and their heirs, successors and assigns; and
- (b) Neither the entering into of this Covenant nor performance hereunder will constitute or result in a violation or breach by Project Owner of any agreement or order which is binding on Project Owner; and
- (c) The Project Owner (i) is duly organized, validly existing and in good standing under the laws of its state of jurisdiction and is qualified to do business and is in good standing under the laws of the Commonwealth of Virginia and Albemarle County; (ii) is authorized to perform under this Covenant; and (iii) has all necessary power and authority to execute and deliver this Covenant.

12.12 Federal Affordability Restrictions. In the event the Property is encumbered by other affordability restrictions (“**Federal Affordability Restrictions**”) as a result of federal funding or the issuance of Low-Income Housing Tax Credits for the Project, it is expressly understood that, to the extent, if any, that such Federal Affordability restrictions, requirements, and provisions conflict with any provision(s) of this Covenant, then in the event the conflicting provision(s) in this Covenant would cause a default of or finding of non-compliance with the Federal Affordability Restrictions during the compliance period for the Federal Affordability Restrictions, then the requirements of the Federal Affordability Restrictions shall control to the extent of the conflict. In all other instances, the requirements of this Covenant shall control.

[signatures to follow]

IN WITNESS WHEREOF, the parties hereto have executed this Declaration of Affordable Housing Covenants as of the day and year first above written.

RECIPIENT:

SupportWorks Housing, formerly known as
Virginia Supportive Housing,
a Virginia nonstock corporation,

By: _____
Name: Allison Bogdanovic
Title: Executive Director

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _____, 2026, by Allison Bogdanovic, as Executive Director of SupportWorks Housing, formerly known as Virginia Supportive Housing, a Virginia nonstock corporation, on behalf of the corporation.

My Commission Expires: _____
Registration Number: _____

Notary Public

PROJECT OWNER:

Premier Circle PSH, LLC,
a Virginia limited liability company

By: Premier Circle Managing Member, LLC,
a Virginia limited liability company,
it's Managing Member

By: SupportWorks Housing, formerly known as Virginia Supportive Housing,
A Virginia nonstock corporation,
Its Managing Member

By: _____
Name: Allison Bogdanović
Title: Executive Director

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF _____)

On _____, 2026, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she/he executed the same in her/his capacity as Executive Director of SupportWorks Housing, a Virginia nonstock corporation, the managing member of Premier Circle Managing Member, LLC, a Virginia limited liability company, the managing member of Premier Circle PSH, LLC, a Virginia limited liability company, and that by her/his signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public

Commission expires: _____

Registration No.: _____

EXHIBIT A
TO DECLARATION OF AFFORDABLE HOUSING COVENANTS (RENTAL)

Legal Description of the Property
Albemarle County Parcel ID 061M0-00-006A0

Parcel 1:

ALL that certain lot, piece or parcel of land, with the improvements thereon and appurtenances thereunto belonging, lying and being in the Rio Magisterial District, Albemarle County, Virginia, containing 0.738 acre, more or less, and described as "New Lot 6A" on a plat by Timmons Group, dated November 18, 2022, last revised December 26, 2023, entitled "PLAT OF SUBDIVISION PREMIER CIRCLE BEING TAX MAP PARCEL 61M-6 IN THE RIO MAGISTERIAL DISTRICT ALBEMARLE COUNTY, VIRGINIA", recorded April 1, 2024 with a Deed of Dedication and Easement in the Clerk's Office, Circuit Court, Albemarle County, Virginia as Instrument No. 202400002459.

TOGETHER WITH the right to use the fifty (50) foot Access Easement shown on a plat made by William S. Roudabush, Inc., dated January 1, 1980, last revised March 11, 1980, recorded in said Clerk's Office in Deed Book 797, Page 242 and again in Deed Book 823, page 95 (the "Plat"), subject to the terms and conditions of the Declaration dated November 1, 1983, recorded in said Clerk's Office in Deed Book 797, Page 242; and granted by Deed recorded in said Clerk's Office in Deed Book 899, Page 333.

Parcel 2:

A one-seventh (1/7) interest in and to the fifty-foot (50') access easement shown as Parcel X on the Plat.

BEING a portion of the same real estate conveyed to PHA Premier Circle, LLC, a Virginia limited liability company, by deed from Triota, LTD, a Virginia corporation, dated March 9, 2021, recorded March 15, 2021 in the Clerk's Office, Circuit Court, Albemarle County in Deed Book 5498, Page 22, and by quitclaim deed of correction from Equity Residential, a Maryland real estate investment trust, as successor to The Charlottesville Motel Limited Partnership, an Ohio limited partnership, dated March 17, 2021, recorded March 19, 2021, in said Clerk's Office in Deed Book 5502, Page 389.

Parcel 3:

Reciprocal Access and Parking Easement between PHA Premier Circle, LLC, a Virginia limited liability company, and Premier Circle PSH, LLC, a Virginia limited liability company, dated February 10, 2025, and recorded in said Clerk's Office prior hereto.

Being a portion of the property conveyed to Grantor by deed from PHA Premier Circle, LLC, a Virginia limited liability company, recorded in said Clerk's Office prior hereto.

EXHIBIT B
TO DECLARATION OF AFFORDABLE HOUSING COVENANTS (RENTAL)

VSH LEASE AGREEMENT

Section 1. Parties and Dwelling Unit: The parties to this Agreement, Landlord and Tenant, are set forth below. The Landlord leases to the Tenant the premises set forth below.

TENANT: _____

Unit No: _____

LANDLORD: _____

MANAGING AGENT: Virginia Supportive Housing, P.O. Box 8585 RICHMOND, VIRGINIA 23226

	<u>Term of Lease</u>			<u>Utility or Service (Paid By)</u>		
<u>Date of Lease</u>	<u>Begins</u>	<u>Ends</u>	<u>Monthly Payment</u>	<u>Tenant</u>	<u>Owner</u>	<u>Security Deposit</u>
_____	_____	_____	Rent \$ _____	_____ Heat <input checked="" type="checkbox"/> X _____	_____	\$ _____
			Total \$ _____ (due 1 st day of Month)	_____ Lights/ Electric <input checked="" type="checkbox"/> X _____	_____ Gas <input checked="" type="checkbox"/> X _____	
				_____ Water/Sewer <input checked="" type="checkbox"/> X _____	_____ Trash <input checked="" type="checkbox"/> X _____	

After initial term ends, Agreement will continue for successive terms of one month each unless terminated per Paragraph 23.

I have read or have had read to me the entire contents of this Agreement. The Landlord's representative has reviewed the Agreement with me, and I have been given ample opportunity to ask questions about the Agreement. I affirm by my signature below that I understand the provisions of the Agreement and my obligation as a tenant.

Signatures:

TENANT: _____

DATE SIGNED: _____

LANDLORD: _____

DATE SIGNED: _____

Section 2. Length of the (Term): The initial term of this Agreement shall begin and end on the date set forth in the chart above. After initial term ends, the Agreement will continue for successive terms of one month each unless automatically terminated as permitted by Paragraph 23 of this Agreement.

Section 3. Rent: The Tenant agrees to pay \$_____ on the date hereof for the partial month beginning _____ and ending _____ for the number of days occupied. Thereafter, the Tenant agrees to pay a full month's rent of \$_____ per month. This amount is due on the (1st) day of the month at the office site. The Tenant understands that this monthly rent is less than the market (unsubsidized) rent due on this unit. This lower rent is available because HUD makes monthly payments to the Landlord on behalf of the Tenant.

Section 4. Changes in the Tenant's Share of Rent: The Tenant's rent will be adjusted in accordance with HUD's regulation for the Section 8 Housing Choice Voucher Program as administered by the Contract Administrator. The Contract Administrator will give at least 30 days advance written notice of any rent increase to the Tenant and the Landlord. Such notice will indicate the Tenant's portion of the new rent and the corresponding Assistant Payment. The Tenant agrees that the amount of rent the Tenant pays and/or the amount of assistance that HUD pays on behalf of the Tenant may be changed during the term of this Agreement if:

- a. HUD or the Contract Administrator determines, in accordance with HUD procedures, that an increase in rent is needed;
- b. The income, or other factors considered in calculating the Tenant's rent change and HUD procedures provide that the Tenant's rent or assistance payment be adjusted to reflect the change;
- c. Changes in the Tenant's rent or assistance payment are required by HUD's recertification or subsidy termination procedures;
- d. HUD's procedures for computing the Tenant's assistance payment or rent change; or
- e. The Tenant fails to provide information on his/her income, or other factors as required by HUD or the Contract Administrator.

The Landlord agrees to implement changes in the Tenant's rent or tenant assistance payment only in accordance with the time frames and administrative procedures set forth in HUD's handbook instructions and regulations related to administration of subsidy and the reason for the changes in rent. The notice will also advise the Tenant that he/she may meet with the Contract Administrator to discuss the rent change.

Section 5. Charges for Late Payments and Returned Checks: If the Tenant does not pay the full amount of the rent shown in Paragraph 3 by the end of the 5th day of the month, the Landlord may collect a fee of \$ 20.00 on the 6th day of the month. The Landlord may terminate this Agreement for non-payment of rent, as explained in Paragraph 24. The Landlord may collect a fee of \$30.00 for any check returned for insufficient funds, and the Owner may require that future rental payments be made by certified check or money order. The charges discussed in this paragraph are in addition to the regular monthly payable by the Tenant.

Section 6. Condition of Dwelling Unit: By signing this Agreement, the Tenant acknowledges that the unit is safe, clean and in good condition. The Tenant agrees that all appliances and equipment in the unit are in good working order, except as described on the Unit Inspection Report. The Tenant also agrees that the Landlord has made no promises to decorate, alter, or improve the unit, except as listed on the Unit Inspection Report.

Section 7. Care of Premises: Tenant shall not cause or permit any waste, damage or injury to the unit. Tenant is and shall be responsible and liable for any injury done to the unit by Tenant, Tenant's invitee, or other persons whom Tenant permits to be in or about the unit. Tenant agrees to return same in good condition and repair, normal wear and tear expected.

Section 8. Security Deposits: The Tenant has deposited the amount shown in the chart on Page 1 with the Owner for full and faithful performance by the Family of every provision, covenant, and condition of this Lease. The Owner shall deposit such security in an insured depository in an interest bearing account separate from the accounts of the Owner. After the Tenant has moved from the unit, the Landlord will determine whether the Tenant is eligible for a refund of any or all of the security deposit. The amount of the refund will be determined in accordance with the following conditions and procedures.

Tenant will be eligible for a refund of the security deposit only if Tenant provides the Landlord with the required thirty (30) day written notice to move under Section 24 (a). In the event the family defaults with respect to any such provisions, covenants, or conditions, including but not limited to payment of rent and other charges, the Owner may use, apply, or retain all or any part of such security deposited, plus any accrued interest required by law, for the payment of any rent and other charges in default, for any sums due or to become due, for any damages or costs for which the Family is liable or responsible under this Lease, or for any other sum which the Owner may expend or be required to expend by reason of default by the Family. Upon the termination of this Lease, such security deposit, plus any accrued interest required by law, and less all or portion used, applied or retained by the Owner in accordance with the foregoing sentence, shall be returned to the family within thirty days after the termination of tenancy and delivery of possession. (In order to be considered for the return of the security deposit, the Family shall provide the Owner with the forwarding address.) The Owner shall, within thirty days after termination of tenancy and delivery of possession, give to the family written notice itemizing the security deposit, any accrued interest thereon, any unpaid rent, damages to the Dwelling Unit, estimated cost for repair, other amounts to which the security deposit is to be applied, and any amount due the Family. If the Dwelling Unit is sold by the Owner during the term of this lease or any continuation of such term, the Family Consents to the transfer of such security deposited by the Family, plus accrued interest required by law, to the purchaser thereof. The provisions of this Section 8 shall not be deemed to preclude the Owner or the Family from recovering other damages to which either may be entitled under the Lease or state law.

Section 9. Keys and Locks: The Tenant agrees not to install additional or different locks on any doors or windows of the unit. When this Agreement ends, the Tenant agrees to return all keys to the dwelling unit to the Landlord. The Landlord may charge the Tenant ten dollars (\$10.00) for each key not returned.

Section 10. Maintenance:

a. The Landlord agrees to:

- 1) Regularly clean all common areas of the property;
- 2) Maintain the common areas and Facilities in a safe condition;
- 3) Arrange for collection and removal of trash and garbage;
- 4) Maintain all equipment and appliances in safe and working order;
- 5) Make the necessary repairs with reasonable promptness;
- 6) Maintain interior and exterior lighting in good working order;
- 7) Provide extermination services on a monthly basis;
- 8) Maintain grounds and shrubs;
- 9) Furnish all utilities.

b. The Tenant agrees to:

- 1) keep the unit clean;
- 2) use all appliances, fixtures and equipment in a safe manner and only for the purposes for which they are intended;
- 3) not to litter the grounds or common areas of the project;
- 4) not destroy, deface, damage or remove any part of the unit, common areas or grounds;
- 5) give the Landlord prompt notice of any defects in the plumbing fixtures, appliances, heating or cooling equipment or any other part of the unit or related facilities;
- 6) remove garbage, trash and other waste daily from the unit in a clean and safe manner.

Section 11. Damages: Whenever damage is caused by carelessness, misuse, or neglect on the part of the Tenant, Or his/her visitors, the Tenant agrees to pay:

- a. The cost of all repairs and do so within 30 days after receipt of the Landlord's demand for The repair charges.

Section 12. Restrictions on Alterations: The tenant agrees not to do any of the following without first obtaining The Landlords' written permission:

- a. change or remove any part of the appliances, fixtures or equipment in the unit;
- b. paint, feather paint, or install wallpaper or contact paper in the unit;
- c. attach or place any fixtures, signs or fences on the building, the common areas, or grounds
- d. attach any shelves, or other permanent improvements in the unit;
- e. place any aerials, antennas or other electrical connections on or around the unit.

Section 13. General Restrictions: The Tenant must live in the unit and the unit must be the Tenant's only place of residence. The Tenant shall use the premises only as a private dwelling for himself/herself. The Tenant agrees Not to:

- a. use the unit for any unlawful purpose.
- b. engage in or permit unlawful activities in the unit, in the common areas or on the grounds;
- c. have pets or animals of any kind in the unit unless deemed necessary by a physician, i.e. seeing eye dog,
- d. make or allow Tenant's Guest to make noises or acts that will disturb the rights or comfort of neighbors. The Tenant agrees to keep the volume of any radio, phonograph, television or musical instrument at a level which will not disturb the neighbors.
- e. use or store any inflammable, gasoline, solvents, etc. in the unit;
- f. park in other than designated areas;
- g. discharge any firearm on the premises;
- h. threaten or assault any person on the premises;
- i. act violently or in such manner as to threaten the health safety, or welfare of other persons or their property on the premises or;
- j. violate any provision of the Virginia residential Landlord and Tenant Act as adopted by the state of Virginia, as amended from time to time, and all other obligations which are now or hereafter imposed upon the Family by state statute or local ordinance in connection with his occupancy of the Dwelling Unit and which, if not so carried out, may constitute grounds for eviction under such statute or ordinance.

Section 14. Rules: The Tenant agrees to obey the House Rules to this Agreement. The Tenant agrees to obey additional rules established after the effective date of the Agreement if;

- a. The rules are reasonably related to the safety, care and cleanliness of the building and the safety, comfort and convenience of the Tenants; and
- b. The Tenant receives written notice of the proposed rule at least 30 days before the rule is enforced.

Section 15. Regularly Scheduled Recertification: Every year approximately 60 days prior to the Tenant's anniversary date, the Contract Administrator will request the Tenant to report the income and composition of the Tenant's household and to supply any other information required by HUD or the Contract Administrator for the purposes of determining the Tenant's rent and assistance payment, if any.

The Tenant agrees to provide accurate statements of this information and to do so by the date specified in the request. The Contract Administrator will use this information to recomputed the amount of the Tenant's rent and assistance payment, if any.

- a. If the Tenant does not submit the required recertification information by the date specified in the request, the following penalties may be imposed. These penalties may be implemented only in accordance with the administrative procedures and time frames specified in HUD's regulations, handbooks and instructions related to the administration of subsidy programs.
 1. Implement any increases in rent resulting from the recertification processing without providing the 30-day Notice otherwise required by Paragraph 4 of this Agreement.
- b. The tenant may request to meet with the Contract Administrator to discuss any change in rent or assistance payment resulting from the recertification processing. If the Tenant requests such a meeting, the Contract Administrator agrees to meet with the Tenant and discuss how the Tenant's rent and assistance payment, if any, were computed.

Section 16. Reporting Changes Between Regularly Scheduled Recertification:

- a. If any of the following changes occur, the Tenant agrees to advise the Contract Administrator immediately.
 1. the adult member of the household who was reported as unemployed on the most recent certification or Recertification obtains employment.
 2. the household's income increases.
- b. The Tenant may report any decrease in income or any change in other factors considered in calculating the Tenant's rent. If the Contract Administrator has confirmation that the decrease in income or change in other factors will last more than one month, the Contract Administrator will verify the information and make appropriate rent reduction. If the decrease in income or change in other factors considered in calculating the Tenant's rent will last less than one month, the Contract Administrator will only verify information and not reduce rent.
- c. The Tenant may request to meet with the Contract Administrator to discuss how any change in income or other factors affected his/her rent or assistance payment, if any. If the Tenant requests such a meeting, the Contract Administrator agrees to meet with the Tenant and explain how the Tenant's rent or assistance payment, if any, was computed.

Section 17. Termination of Assistance:

- a. The Tenant understands that assistance made available on his/her behalf may be terminated if any of the following events happen. Termination of assistance means that the Landlord may make the assistance available to another Tenant and the Tenant's rent will be recalculated. In addition, if the Tenant's assistance is terminated because of criteria (1) or (2) below, the Tenant will be required to pay HUD approved market rent for the unit.
 - 1) The Tenant deliberately submits false information on any application, certification, recertification or request for Interim adjustment for the purpose of obtaining a higher assistance payment or lower rent.
 - 2) The Tenant does not provide the Contract Administrator with information or reports required by Paragraph 15 and 16 within 10 calendar days after receipt of the notice of intent to terminate the Tenant's-assistance payment.
 - 3) The amount the Tenant would be required to pay towards rent under HUD rules as regulations equals the Total Tenant Payment shown on page 1.
- b. The Landlord agrees to give the Tenant written notice of the proposed termination. The notice of termination to Tenant shall state the reasons for the termination and shall inform tenant of his right to make such reply as he may wish, and of his right to request a hearing in accordance with Management's grievance procedure. The notice will advise the tenant that during the 15 calendar days following the date of the notice, he/she may request to meet with the Landlord to discuss the proposed termination of assistance. If the Tenant requests a discussion of the proposed termination, the Landlord agrees to meet with the Tenant.
- c. Termination of assistance shall not affect the Tenant's other rights under this Agreement, including the right to occupy the unit. If assistance is terminated, Pursuant to Paragraph 17a. (2) or 17 a. (3), assistance may subsequently be reinstated if the Tenant submits the income or other data required by HUD procedures, the Contract Administrator determines the Tenant is eligible for assistance, and assistance is available.

Section 18. Tenant Obligation to Repay: If the Tenant submits false information on any application, certification or request for interim adjustment or does not report interim changes in family income or other factors as required by Paragraph 15 of this Agreement, and as a result is charged a rent less than the amount required by HUD's rent formulas, the Tenant agrees to reimburse the Landlord for the difference between the rent he/she was charged. The Tenant is not required to reimburse the Landlord for undercharges caused solely by the Contract Administrator's failure to follow HUD's procedures for computing rent or assistance payments.

Section 19. Size of Dwelling: All units are one room efficiencies that include a bath and kitchenette.

Section 20. Access By Landlord: The Landlord agrees to enter the unit only during reasonable hours, to provide reasonable advance notice of his/her intent to enter the unit, except when emergency situations make such impossible or except under Paragraph (c) and (d) below.

- a. The Tenant agrees to permit the Landlord, his/her agents or other persons- when authorized by the Landlord to enter the unit for the purpose of making reasonable repairs and periodic inspections.
- b. If the Tenant moves before this Agreement ends, the Landlord may enter the unit to decorate, remodel, alter Or otherwise prepare the unit for re-occupancy.
- c. If at the Tenant's request, maintenance is to be provided.
- d. For the purpose of monthly preventive extermination services.

Section 21. Discrimination Prohibited: The Landlord agrees not to discriminate based upon race, color, religion, creed, national origin, sex, age, handicap, familial status, or membership in a class, or recipients of public assistance.

Section 22. Change in Rental Agreement: The Landlord may, with prior approval of HUD, change the terms and conditions of this Agreement. Any changes will become effective only at the end of the initial term or successive term. The Landlord must notify the Tenant of any change and must offer the Tenant a new Agreement or an amendment to the existing Agreement. The Tenant must receive the notice at least 60 days before the proposed effective date of the change. The Tenant may accept the changed terms and conditions by signing the new Agreement or the amendment to the existing Agreement and returning it to Landlord.

The Tenant may reject the changed terms and conditions by giving the Landlord written notice that he/she intends to terminate the tenancy. The Tenant must give such notice at least 30 days before the proposed change will go into effect. If the tenant does not accept the amended agreement, the Landlord may require the Tenant to move from the project, as provided in Paragraph 23.

Section 23. Termination of Tenancy:

- a. To terminate this Agreement, the Tenant must give the Landlord 30-days written notice, no later than the 1st day of the month in which Tenant intends- to terminate the last day of the month. If the Tenant does not give the full 30-day notice, the Tenant shall be liable for rent up to the end of the 30 days for which notice was required or to the date the unit is re-rented, whichever date come first.
- b. Any termination of this Agreement by the Landlord must be carried out in accordance with HUD regulations, state and local law, and the terms of this Agreement. The Landlord may terminate this Agreement only for:
 - 1) the Tenant's material noncompliance with the terms of this Agreement;
 - 2) the Tenant material failure to carry out obligations under the Virginia Residential and Landlord Tenant Act; or
 - 3) other good cause, which includes but not limited to the Tenant's refusal to accept the Landlord's proposed change to this Agreement. Terminations for "other good cause" may only be effective as of the end of any initial or successive term"

Material noncompliance included, but is not limited to, nonpayment of rent beyond the five (5) day grace period Available under state law; repeated late payment of rent; serious or repeated damage to the unit or common areas; creation of physical hazards, serious or repeated interference with the rights and quiet enjoyment of Tenants; failure to repay unauthorized assistance payment; and/or giving the Contract Administrator false information regarding income or other factors considered in determining the Tenant's rent.

G-2. If the Landlord proposes to terminate this Agreement, the Landlord agrees to give the Tenant written notice of the proposed termination. If the Landlord is terminating this Agreement for "other good cause", the termination notice must be received by the Tenant at least 30 days before the Tenant will be required to move from the unit. Notices of proposed termination for other reasons must be given in accordance with times frames set forth in State and local law. Any HUD required notice period may run concurrently with any notice period required by state or local law.

All termination notices must:

- 1) specify the date this Agreement will be terminated;
- 2) state the grounds for termination with enough detail for the Tenant to prepare a defense;
- 3) state that if the breach is not remedied in 21 days, the Agreement shall terminate as provided in the notice subject to the following. If the breach is remediable by repairs or the payment of damages or otherwise and the Tenant adequately remedies the breach prior to the date specified in the notice, the Agreement will not terminate;
- 4) advise the Tenant of his/her right to defend the action in court.

c. If an eviction is initiated, the Landlord agrees to rely only upon the grounds cited in the termination notice required by

Paragraph G-2.

Section 24. Abandonment: The Tenant's unexplained and/or extended absence from the premises for thirty (30) days or more without payment of rent as due shall be *prima facie* evidence of abandonment. The Landlord is then expressly authorized to enter, remove and store all personal items belonging to Tenant. If the Tenant does not claim said personal property within an additional thirty (30) days. Landlord may sell or dispose of said personal property and apply the proceeds of said sale to the unpaid rents, damages, storage fees, sale costs, and attorney fees. Any balances are to be held by the Landlord for a period of six (6) months thereafter.

Section 25. Damage to Personal Property: Any property of any kind belonging to the Tenant which shall be brought upon the apartment grounds during the terms of this Agreement, or any extension thereof, shall be at the complete and sole risk of the Tenant to obtain the necessary insurance to protect such property. Anything in this Agreement to the contrary notwithstanding, the Landlord shall not be responsible for any loss or damage to such personal property, including contents in the apartments caused by or due to fire or other casualty unless the same was a direct result of any negligent act of the Landlord. When used in the Agreement, the term "casualty" means any sudden, unexpected or unusual event arising from human or natural causes.

Section 26. Landlord's Limitation of Liability: Landlord shall not be responsible or liable to Tenant, Tenant's invitee, any authorized occupant, or any other person claiming by or through Tenant for any injury or damage resulting from acts or omissions of persons occupying properly adjoining the unit or for any injury or damage resulting to Tenant or Tenant's property from bursting, stoppage or leaking of water, gas, sewer or steam pipes, except where such loss or damage occurs from the willful or negligent misconduct of Landlord, Landlord's agents servants or employees in maintenance of the unit.

Section 27. Attorneys Fees: Should Landlord deem it necessary or appropriate to retain an attorney for the collection of rent or other payments due hereunder, or to enforce or defend any provision of this Lease, Tenant agrees to pay, in addition to his/her other obligations hereunder, all expense, including but not limited to court costs and reasonable attorneys' fee incurred by Landlord in defending or enforcing this Agreement, but Tenant shall be required to make said payments only where Landlord is found to be in the prevailing party, by the court having jurisdiction over the Landlord/Tenant dispute at issue.

Section 28. Waiver: Failure of the Landlord to enforce any term or condition of this Agreement, or any of its rights re remedies arising here from, shall not constitute a waiver of any of Tenant's duties or obligation hereunder.

Section 29. Hazards: The Tenant shall not undertake, or permit guests to undertake, any hazardous acts or do anything that will increase the facilities' insurance premiums. If the unit is damaged by fire, wind, or rain to the extent that the unit cannot be lived in, he/she must immediately vacate the apartment or be subject to termination procedures as set forth in Section 23, and if the damage is not caused or made worse by the Tenant, the Tenant will be responsible for rent only up to the date of the destruction. Additional rent will not accrue until the unit has been repaired to a livable condition.

Section 30. Penalties for Submitting False Information: If the Tenant deliberately submits false information regarding income, or other data on which the Tenant's eligibility or rent is determined, the Landlord may, with HUD approval, require the Tenant to pay the higher HUD approved market rent for as long as the Tenant remains in the apartment. In addition, the Tenant could become subject to penalties available under federal law. Those penalties include fines up to \$10,000 and imprisonment for up to five years.

Section 31. Contents of this Agreement: This Agreement and its attachments make up the entire Agreement between the Tenant and the Landlord regarding the unit. If any court declares a particular provision of this Agreement to be invalid or illegal, all other terms of this Agreement will remain in effect and both the Landlord and the Tenant will continue to be bound by them.

Section 32. Drug-Free Housing: The Landlord and the Tenant agree as follows:

- a. The Tenant, or guest or other person under the Tenant's control, shall not engage in or facilitate criminal activity on or Near the building, including, but not limited to, violent criminal activity or illegal drug-related criminal activity.
- b. The Tenant or a guest or other person under the Tenant's control, shall not permit the dwelling unit to be used for or to Facilitate criminal activity, including, but not limited to, violent criminal activity or illegal drug-related criminal activity.
- c. "Violent criminal activity" means

1. The commission of any act of physical violence to persons or property on or off Premises;
2. The manufacture, sale, use or possession of explosive on or off Premises;
3. The illegal manufacture, use, sale or distribution of alcoholic beverage on the Premises;
4. Engaging in child abuse or neglect within the meaning of Virginia Code Section 18.2-371.1;
5. Engaging in spousal abuse as defined in Virginia Code Section 63.1-316; or
6. Drug Related Criminal Activity.

d. "Drug-related criminal activity" means the illegal manufacture, sale, distribution, or use, or possession with intent to Manufacture, sell, distribute or use, of a controlled substance as defined in section102 of the Controlled Substance Act (21 U.S.C.802).

e. One or more violations of subsection a or subsection b of this Lease Section constitutes a substantial violation of the Lease and a material noncompliance with the Lease. Any such violation is grounds for termination of tenancy and eviction from the unit.

f. Proof of violation shall be by a preponderance of the evidence, unless otherwise provided by law.

g. In case of any conflict between the provisions of this Lease Section and any other provisions of the Lease, the provisions of this Lease Section shall govern.

Section 33. Attachments to the Agreement: The Tenant certifies that he/she has received a copy of this Agreement and the House Rules.

All apartments are equipped with a Refrigerator, Range and Heating ventilation and air conditioning system,_____.

TENANT INCOME CERTIFICATION

Initial Certification Recertification
 Other

Effective Date: _____
Move-in Date: _____ (MM-DD-YYYY)

PART I - DEVELOPMENT DATA

Property Name: County: BIN #: PISD:
BIN Address: City: Zip:
Unit Number: # Bedrooms: Square Footage:

PART II. HOUSEHOLD COMPOSITION (DEMOGRAPHIC INFORMATION IS FOR LIHTC ONLY)

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

PART III: GROSS ANNUAL INCOME (SEE ANNUAL AMOUNTS)				
Household Member #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	\$	\$	\$	\$
Add totals from (A) through (D), above				TOTAL INCOME (E)
				\$

PART IV. INCOME FROM ASSETS

(J) Total Annual Household Income from all Sources [Add (E) + (I)] \$

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

Signature

Signature

(Date)

Signature

Signature

(Date)

PART V. DETERMINATION OF INCOME ELIGIBILITY

RECERTIFICATION ONLY:

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From item (L) on page 1	\$ 	Household Meets Income Restriction at:	Current Income Limit x 140% \$
Current LIHTC Income Limit per Family Size for the federal 50% or 60% set aside:	\$ 	<input type="checkbox"/> 60% <input type="checkbox"/> 50% <input type="checkbox"/> 40% <input type="checkbox"/> 30% <input type="checkbox"/> _____ %	Household Income exceeds 140% at recertification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Hhold Income at LIHTC Qualification Date:	\$ 		
Hhold Size at LIHTC Qualification Date:			

PART VI. RENT

Tenant Paid Rent	\$ 	Federal Rent Assistance Amount: \$ _____ *Source: _____		
Utility Allowance	\$ 	Non-Federal Rent Assistance Amount: \$ _____		
Other non-optional charges:	\$ 	TOTAL RENT ASSISTANCE: \$ _____		
GROSS RENT FOR UNIT: (Tenant paid rent plus Utility Allowance & other non-optional charges)	\$ 	<p>* Source of Federal Assistance</p> <p>1 **HUD Multi-Family Project-Based Rental Assistance (PBRA) 2 Section 8 Moderate Rehabilitation 3 Public Housing Operating Subsidy 4 HOME Rental Assistance 5 HUD Housing Choice Voucher (HCV), tenant-based 6 HUD Project-Based Voucher (PBV) 7 USDA Section 521 Rental Assistance Program 8 Other Federal Rental Assistance</p> <p>** (PBRA) Includes: Section 8 New Construction/Substantial Rehabilitation; Section 8 Loan Management; Section 8 Property Disposition; Section 202 Project Rental Assistance Contracts (PRAC)</p>		
Maximum Rent Limit for this unit:	\$ 			
Unit Meets Rent Restriction at:	<input type="checkbox"/> 60% <input type="checkbox"/> 50% <input type="checkbox"/> 40% <input type="checkbox"/> 30% <input type="checkbox"/> _____ %			

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL TIME STUDENTS?	If yes, Enter student explanation* (also attach documentation) *Enter 1-6: _____
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>*Student Explanation:</p> <p>1 TANF assistance 2 Job Training Program 3 Single parent/dependent child 4 Married/joint return 5 Formerly in foster care 6 Extended-Use Period</p>

PART VIII. PROGRAM TYPE

Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements.
Under each program marked, indicate the household's income status as established by this certification/recertification.

a. Tax Credit <input type="checkbox"/>	b. HOME <input type="checkbox"/>	c. Tax Exempt <input type="checkbox"/>	d. AHDP <input type="checkbox"/>	e. <input type="checkbox"/> (Name of Program)
See Part V above.	<p><i>Income Status</i></p> <p><input type="checkbox"/> ≤ 50% AMGI <input type="checkbox"/> ≤ 60% AMGI <input type="checkbox"/> ≤ 80% AMGI <input type="checkbox"/> OI**</p>	<p><i>Income Status</i></p> <p><input type="checkbox"/> 50% AMGI <input type="checkbox"/> 60% AMGI <input type="checkbox"/> 80% AMGI <input type="checkbox"/> OI**</p>	<p><i>Income Status</i></p> <p><input type="checkbox"/> 50% AMGI <input type="checkbox"/> 80% AMGI <input type="checkbox"/> OI**</p>	<p><i>Income Status</i></p> <p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> OI**</p>

**Upon recertification, household was determined over-income (OI) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER/REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

SIGNATURE OF OWNER/REPRESENTATIVE

DATE

INSTRUCTIONS FOR COMPLETING TENANT INCOME CERTIFICATION

This form is to be completed by the owner or an authorized representative.

Part I - Development Data

Check the appropriate box for Initial Certification (move-in), Recertification (annual recertification), or Other. If Other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

Effective Date	Enter the effective date of the certification. For move-in, this should be the move-in date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)certification.
Move-in Date	Enter the date the tenant has or will take occupancy of the unit. (This date should reflect the most recent <i>Initial Certification Date</i> when the tenant was certified for occupancy of a tax credit unit.)
Property Name	Enter the name of the development.
County	Enter the county (or equivalent) in which the building is located.
BIN #	Enter the Building Identification Number (BIN) assigned to the building (from IRS Form 8609). This is expected to be in the following format: ME-87-00001, ME-87-00002, ME-87-00003, etc.
Where	<ul style="list-style-type: none"> - ME is the state allocating agency's two character state designation. In this case Maine. - 87 is the last two digits of the BIN's year of allocation (1987) - 00001, 00002, 00003 is a 5 digit serial number usually sequential.
Address	Enter the street address, city and zip code of the building.
Unit Number	Enter the unit number.
# Bedrooms	Enter the number of bedrooms in the unit.
Square Footage	Enter the square footage of the unit.

Part II - Household Composition

List all occupants of the unit. State each household member's relationship to the head of household by using one of the following coded definitions:

H	Head of Household	S	Spouse
A	Co-Head (Adult co-tenant)	O	Other family member
C	Child	F	Foster Child/Adult
L	Live-in caretaker	N	None of the above

Enter the date of birth, student status, and last four numbers of each household member's social security number or alien registration number. Enter 0000 (4 zeros) if the household member does not have a security number or alien registration number.

Race: Enter each household member's race by using at least one of the following coded definitions: 1 – White; 2 – Black/African American; 3 – American Indian/Alaska Native; 4 – Asian (4a – Asian India; 4b – Chinese; 4c – Filipino; 4d – Japanese; 4e – Korean; 4f – Vietnamese; 4g – Other Asian); 5 – Native Hawaiian/Other Pacific Islander (5a – Native Hawaiian; 5b – Guamanian or Chamorro; 5c – Samoan; 5d – Other Pacific Islander); 6 – Other; or 8 – Tenant did not respond.

Ethnicity: Enter each household member's ethnicity by using one of the following coded definitions: 1 – Hispanic or Latino; 2 – not Hispanic or Latino or 3 – Tenant did not respond.

Disabled?: Enter 1 - (Yes) if the household member is disabled according to Fair Housing Act definition for handicap (disability)
Enter 2 - (No) if the household member is not disabled.
Enter 3 - Tenant Did Not Respond

Fair Housing Act definition for handicap (disability)

- A physical or mental impairment which substantially limits one or more major life activities; a record of such an impairment, or being regarded as having such an impairment. For a definition of "physical or mental impairment" and other terms used in this definition, please see 24 CFR 100.201, available at http://www.fairhousing.com/index.cfm?method=page.display&pageName=regs_fhu_100-201.
- "Handicap" does not include current, illegal use of or addiction to a controlled substance.
- An individual shall not be considered to have a handicap solely because that individual is a transvestite.

The housing credit agency administering its low-income housing credit program must, to the best of its ability, provide this disability status information, pursuant to 42 U.S.C. 1437z-8. However, it is the tenant's voluntary choice whether to provide such information, and questions to the tenant requesting the information must so state. If the tenant declines to provide the information, the housing credit agency shall use its best efforts to provide the information, such as by noting the appearance of a physical disability that is readily apparent and obvious, or by relying on a past year's information. For purposes of gathering this information, no questions with respect to the nature or severity of the disability are appropriate.

If there are more than 7 occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

Part III - Annual Income

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.

From the third party verification forms obtained from each income source, enter the gross amount anticipated to be received for the twelve months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List the respective household member number from Part II.

Column (A)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.).
Column (D)	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
Row (E)	Add the totals from columns (A) through (D), above. Enter this amount.

Part IV - Income from Assets

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.)
Column (G)	Enter the net value of the asset
Column (H)	Enter the actual income (interest/dividends) from the asset if any is earned or imputed by .40% if no actual and total assets are above \$50K
Column (I)	Enter total income from assets
Row (J)	Total Annual Household Income from all Sources [Add (E) + (I)]

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than 5 days prior to the effective date of the certification.

Part V – Determination of Income Eligibility

Total Annual Household Income from all Sources	Enter the number from item (L).
Current Income Limit per Family Size	Enter the Current Move-in Income Limit for the household size.
Household Income at LIHTC Qualification Date	<p>Effective Date of LIHTC Income Certification: If the current Tenant Income Certification (TIC) did not update the tenant's income information and the TIC is reporting previous income, enter the effective date of the income qualification corresponding to the total annual household income.</p> <p>If income certification is not required annually, this may be different from the effective date listed in Part I.</p>
Household Size at LIHTC Qualification Date	<p>If the current Tenant Income Certification (TIC) did not update the tenant's household size information and the TIC is reporting previous information, enter the number of tenants corresponding to the total annual household income entered in Box L.</p> <p>If income certification is not required annually, this may be different from the number of tenants listed in Part II.</p>
Household Meets Income Restriction	Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside(s) for the project.
Current Income Limit x 140%	For re-certifications only. Multiply the Current Maximum Move-in Income Limit by 140% and enter the total. Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

Part VI - Rent

Tenant Paid Rent	Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).
Rent Assistance	Enter both the Federal and Non-Federal amount of rent assistance, if any. Be sure to enter separate amounts for each source.
Source	Enter the source of the Federal rental assistance
Utility Allowance	Enter the utility allowance. If the owner pays all utilities, enter zero.
Other non-optional charges	Enter the amount of non-optional charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.
Gross Rent for Unit	Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges.
Maximum Rent Limit for this unit	Enter the maximum allowable gross rent for the unit.
Unit Meets Rent Restriction at	Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

Part VII - Student Status

If all household members are full time* students, check "yes". If at least one household member is not a full time student, check "no".

If "yes" is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

**Full time is determined by the school the student attends.*

Part VIII – Program Type

Mark the program(s) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification. If the property does not participate in the HOME, Tax-Exempt Bond, Affordable Housing Disposition, or other housing program, leave those sections blank.

Tax Credit	See Part V above.
HOME	If the property participates in the HOME program and the unit this household will occupy will count towards the HOME program set-asides, mark the appropriate box indicating the household's designation.
Tax Exempt	If the property participates in the Tax Exempt Bond program, mark the appropriate box indicating the household's designation.
AHDP	If the property participates in the Affordable Housing Disposition Program (AHDP), and this household's unit will count towards the set-aside requirements, mark the appropriate box indicating the household's designation.
Other	If the property participates in any other affordable housing program, complete the information as appropriate.

SIGNATURE OF OWNER/REPRESENTATIVE

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well trained in tax credit compliance.

These instructions should not be considered a complete guide on tax credit compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.

GOVERNMENT DATA COLLECTION AND DISSEMINATION PRACTICES ACT LETTER

MARKET RATE DEVELOPMENTS

Dear (Mr/Mrs/Ms) _____

As provided by the Government Data Collection and Dissemination Practices Act, anyone who is requested to provide personal information about himself must be informed whether he is legally required to provide such information, or whether he may refuse to supply the information requested. As an applicant for housing financed by Virginia Housing, you are requested to provide certain information that will enable _____ to complete a "Tenant Income Certification".

The information requested will be used to determine an adjusted annual income which you and your family receive from all income sources. This is necessary because the Rules and Regulations adopted pursuant to the Authority conferred on Virginia Housing limit eligibility for initial occupancy to families whose adjusted income does not exceed certain established limits. In addition, it is necessary to know the composition of your family (number of dependents) so that the proper size of dwelling unit may be authorized for you and your family.

Although you are not legally required to provide the information requested, your failure to do so will result in our inability to determine your eligibility for housing in this development.

The completed "Tenant Income Certification" is electronically transmitted by this management agent/owner to Virginia Housing, 601 South Belvidere Street, Richmond, VA 23220. It is possible that information provided by you will be revealed to others for the purpose of confirmation or for other purposes in accordance with the Virginia Freedom of Information Act, but any information so supplied is subject to the safeguards of the Government Data Collection and Dissemination Practices Act.

Sincerely,

Management

Received (Date) _____

By: _____

ATTACHMENT No. 1

**LEASE ATTACHMENT
ACCESSIBLE UNIT AVAILABILITY**

This attachment to the Lease Agreement between **PROPERTY NAME** and _____
entered into on _____ constitutes Attachment No. 1 to the Lease
Agreement.

In order to comply with Section 8.27 of Section 504 of Rehabilitation Act of 1973, MANAGEMENT must first lease vacant accessible units to current occupants requiring the accessibility features of the vacant unit and occupying a unit not having such features. If no such occupant exists, the unit would be leased to an eligible qualified applicant on the waiting list who requires the accessibility features of the vacant unit. When offering an accessible unit to an applicant not having handicaps requiring the accessibility features of the unit, the MANAGEMENT must require the applicant to agree to move to a non-accessible unit when available.

As the RESIDENT noted above has been offered an accessible unit and does not have handicaps requiring such unit, the RESIDENT hereby agrees to move to a non-accessible unit upon the request of the MANAGEMENT. Such request will be made in writing thirty (3) days prior to the effective date of a required move to a non-accessible unit.

By signing the below, RESIDENT agrees to the terms and conditions contained in the Lease Attachment.

AGREED to this the _____ day of _____ 20 ____.

SIGNATURES

RESIDENT(S)

By:

1. _____

Date Signed _____

2. _____

Date Signed _____

MANAGEMENT/MANAGEMENT'S REPRESENTATIVE

By:

Date Signed _____

LEASE ADDENDUM

VIOLENCE AGAINST WOMEN AND JUSTICE DEPARTMENT REAUTHORIZATION ACT OF 2005

TENANT	LANDLORD	UNIT NO. & ADDRESS

This lease addendum adds the following paragraphs to the Lease between the above referenced Tenant and Landlord.

Purpose of the Addendum

The lease for the above referenced unit is being amended to include the provisions of the Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA).

Conflicts with Other Provisions of the Lease

In case of any conflict between the provisions of this Addendum and other sections of the Lease, the provisions of this Addendum shall prevail.

Term of the Lease Addendum

The effective date of this Lease Addendum is _____. This Lease Addendum shall continue to be in effect until the Lease is terminated.

VAWA Protections

1. The Landlord may not consider incidents of domestic violence, dating violence or stalking as serious or repeated violations of the lease or other "good cause" for termination of assistance, tenancy or occupancy rights of the victim of abuse.
2. The Landlord may not consider criminal activity directly relating to abuse, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that abuse.
3. The Landlord may request in writing that the victim, or a family member on the victim's behalf, certify that the individual is a victim of abuse and that the Certification of Domestic Violence, Dating Violence or Stalking, Form HUD-91066, or other documentation as noted on the certification form, be completed and submitted within 14 business days, or an agreed upon extension date, to receive protection under the VAWA. Failure to provide the certification or other supporting documentation within the specified timeframe may result in eviction.

Tenant

Date

Landlord

Date

ADDENDUM TO LEASE

Apartment Number _____

Landlord _____

Tenant(s) _____

Date _____

The following provisions shall be incorporated into and made a part of the Lease of even date herewith between Landlord and Tenant and shall control over any inconsistent provisions therein.

I. Eligibility. Tenant hereby acknowledges that Tenant's family income and composition and other matters relating to Tenant's eligibility for occupancy of the Apartment are material to this Lease. Prior to execution of this Lease, Tenant provided Landlord with certain information, documents and certifications with respect to Tenant's eligibility for occupancy of the Apartment. Tenant hereby warrants and confirms that such information, documents and certifications are in all respects true, accurate and complete as of the date hereof. Tenant agrees to comply with all requests hereafter made by the Landlord or the Virginia Housing Development Authority ("Virginia Housing") for information, documents, and certifications concerning Tenant's eligibility for occupancy of the Apartment. Such requests may be made annually (and shall be made no less frequently than every three years) and at such other times as Landlord or Virginia Housing may require. Tenant shall furnish all such information, documents and certifications requested by Landlord or Virginia Housing on or before the date specified in such request, which date shall not be earlier than ten (10) days from the date of receipt by Tenant of such request. Such information, documents and certifications shall in all respects be true, accurate and complete.

Any failure by Tenant to comply with any such request in accordance with the terms of this Paragraph or any falsification, misstatement or misrepresentation by Tenant of any information relating to Tenant's eligibility for occupancy of the Apartment shall be deemed a substantial and material violation of this Lease. Furthermore, in the case of any such violation of this Lease, Landlord may (subject to the prior approval of Virginia Housing and in lieu of exercising its rights or remedies arising under this Lease as a result of such violation) determine that Tenant shall no longer be eligible for occupancy of the Apartment and shall be subject to the provisions set forth below relating to ineligibility.

2. Ineligibility. In the event that (a) at the time of any determination by Landlord as to Tenant's eligibility for occupancy of the Apartment, Tenant's adjusted family income shall exceed the maximum limit then established by Virginia Housing for initial occupancy of the Apartment or (b) Tenant is otherwise determined not to be eligible for occupancy of the Apartment in accordance with criteria then established by Virginia Housing or in accordance with the provisions hereof, this Lease shall remain in full force and effect unless otherwise terminated pursuant to any of the provisions of this Lease; provided, however, that commencing on the first day of the month after Tenant becomes ineligible, Tenant shall pay a surcharge on the rent in the amount set forth in such schedule as shall be prescribed by Virginia Housing; provided, further, that the amount of such surcharge imposed by Virginia Housing shall not cause the rent (including such surcharge) to exceed the limitation imposed by Section 42 of the Internal Revenue Code, if applicable. In the event that such a surcharge is imposed, Tenant shall have the right to terminate this Lease either (a) on the first day of the month in which such surcharge is to commence or (b), upon at least thirty (30) days prior written notice to the Landlord, on the first day of the next succeeding month. For the purposes of this Lease, any such surcharge shall be deemed to be rent and shall be subject to all of the provisions hereof relating to rent. Tenant shall be obligated to pay such surcharge on the first day of each month for such period of time as Tenant shall remain ineligible for occupancy.

3. Assign or Sublease. Tenant may not, without the prior written consent of the Landlord, assign this Lease or sublet the Apartment or any part thereof or give accommodation to any roomer, lodger or other person not herein set forth, nor permit the use of the Apartment for any purposes other than as a private dwelling solely for the use of Tenant and Tenant's family consisting of the following named persons:

4. Rights of Virginia Housing. It is understood and agreed by Landlord and Tenant that Virginia Housing shall have the right (but shall not be obligated) to exercise any and all of the rights of Landlord under this Lease in the event of a breach or violation by Tenant of any of the provisions hereof.

In Witness Whereof, the parties hereto have executed these presents the day and year first above written:

TENANT(s)

_____ (SEAL)

_____ (SEAL)

LANDLORD

_____ (SEAL)

_____ (SEAL)

HOME FUNDS

Lease Addendum

This lease addendum adds the following paragraphs to leases between a tenant and an owner of rental housing assisted with HOME funds, as specified under HOME Federal HUD Regulations 24 CFR 92.253(b).

Conflict with Other Provisions of the Lease. In case of any conflict between the provisions of this Addendum and other sections of the Lease, the provisions of this Addendum shall prevail.

Housing Quality Standards. The owner shall maintain the dwelling unit, common areas, equipment, facilities and appliances in decent, safe, and sanitary condition (as determined by Section 8 Housing Quality Standards).

A. Lease. The duration of the lease between the tenant and the owner must be for not less than one year.

B. Prohibited Lease Terms. The lease may not contain any of the following provisions:

- *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;
- *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 Statelaw;
- *Excusing owner from responsibility.* Agreement by the tenant not to hold the owner or the owners agents legally responsible for any action or failure to act, whether intentional or negligent;
- *Waiver of notice.* Agreement of the tenant that the owner may institute a lawsuit without notice to the tenant;
- *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;
- *Waiver of a jury trial.* Agreement by the tenant to waive any right to a trial by jury;
- *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
- *Tenant chargeable with cost of legal action 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.

C. Termination of Tenancy. To terminate or refuse to renew tenancy, the owner must serve written notice upon the tenant specifying the grounds for the action at least 30 days before the termination of tenancy.

D. Tenant selection. An owner of rental housing assisted with HOME funds must adopt written tenant selection policies and criteria that:

- Are consistent with the purpose of providing housing for very low-income and low-income families;
- Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease;
- Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
- Give prompt written notification to any rejected applicant of the grounds for any rejection.

(Owner)

Date

(Resident)

Date

AMENDED ORDINANCE

**AUTHORIZING A FORGIVABLE LOAN TO VIRGINIA SUPPORTIVE
HOUSING TO SUPPORT THE PREMIER CIRCLE/VISTA 29 PROJECT
FOR THE PURPOSE OF PRODUCING NEW HOUSING UNITS FOR
HOMELESS PERSONS AND VERY LOW-INCOME HOUSEHOLDS**

WHEREAS, the Council of the City of Charlottesville, Virginia (“City Council”), approved Ordinance #O-24-099 in August 2024, authorizing a Forgivable Loan to Virginia Supportive Housing to support the Premier Circle Project for the purpose of producing new housing units for homeless persons and Very Low-Income households; and

WHEREAS, SupportWorks Housing (“SupportWorks”), formerly known as Virginia Supportive Housing, has requested multiple revisions to the original terms and conditions; and

WHEREAS, the production of new housing units for homeless persons and Very Low-Income Households is a public purpose and use for which public money may be spent, and such production is a governmental function of concern to the Commonwealth of Virginia; and

WHEREAS, pursuant to Virginia Code § 15.2-958, as amended, the City of Charlottesville, Virginia (“City”), may, by Ordinance, make grants or loans to the owners of residential rental property occupied, or to be occupied, following construction, by homeless persons and households of Very Low-Income, for the purpose of producing such property; and

WHEREAS, SupportWorks is a private, nonprofit 501(c)(3) organization (corporation) organized and operating under the laws of the Commonwealth of Virginia, having as its mission to end homelessness by providing permanent housing and supportive services; and

WHEREAS, SupportWorks is developing the Vista 29 Project, formerly known as Premier Circle, at 405 Premier Circle (“Project”), in Albemarle County, Virginia (“County”), that will have seventy-seven (77) studio apartments and three (3), one (1)-bedroom apartments with supportive services, such development to be funded by Low Income Housing Tax Credits, private donations, grants, and local government funding from the County and the City; and

WHEREAS, the Project will be a mixed-income community with a blend of units for homeless and Very Low-Income Households from the County, the City, and the surrounding region; and

WHEREAS, SupportWorks has requested the City to award local public funding for the Project, in an amount sufficient to subsidize the projected cost of constructing the required public infrastructure for the Project, as well as the construction of Very Low-Income affordable units, the City desires to make a Forgivable Loan to SupportWorks, pursuant to and in consideration for, SupportWorks’s activities in compliance with a Loan Agreement, to be approved by the City; and

WHEREAS, the City desires to loan up to \$750,000 of already approved funding at an interest rate of three percent (3.00%) per annum for a term of approximately forty (40) years to

SupportWorks (“Loan”), pursuant to the terms and conditions of a Loan Agreement and a Declaration of Affordable Housing Covenants, to be approved by the City.

NOW, THEREFORE, BE IT ORDAINED by City Council that the Loan Agreement, in substantially the same form presented to City Council at this Meeting, is hereby approved; and

BE IT FURTHER ORDAINED BY THIS CITY COUNCIL THAT the City Manager is hereby authorized to execute a Loan Agreement containing the terms and conditions consistent with those set forth within this Ordinance, and other documents and instruments necessary to complete this Loan transaction, subject to approval by the City Attorney’s Office as to the form of all such documents and instruments.

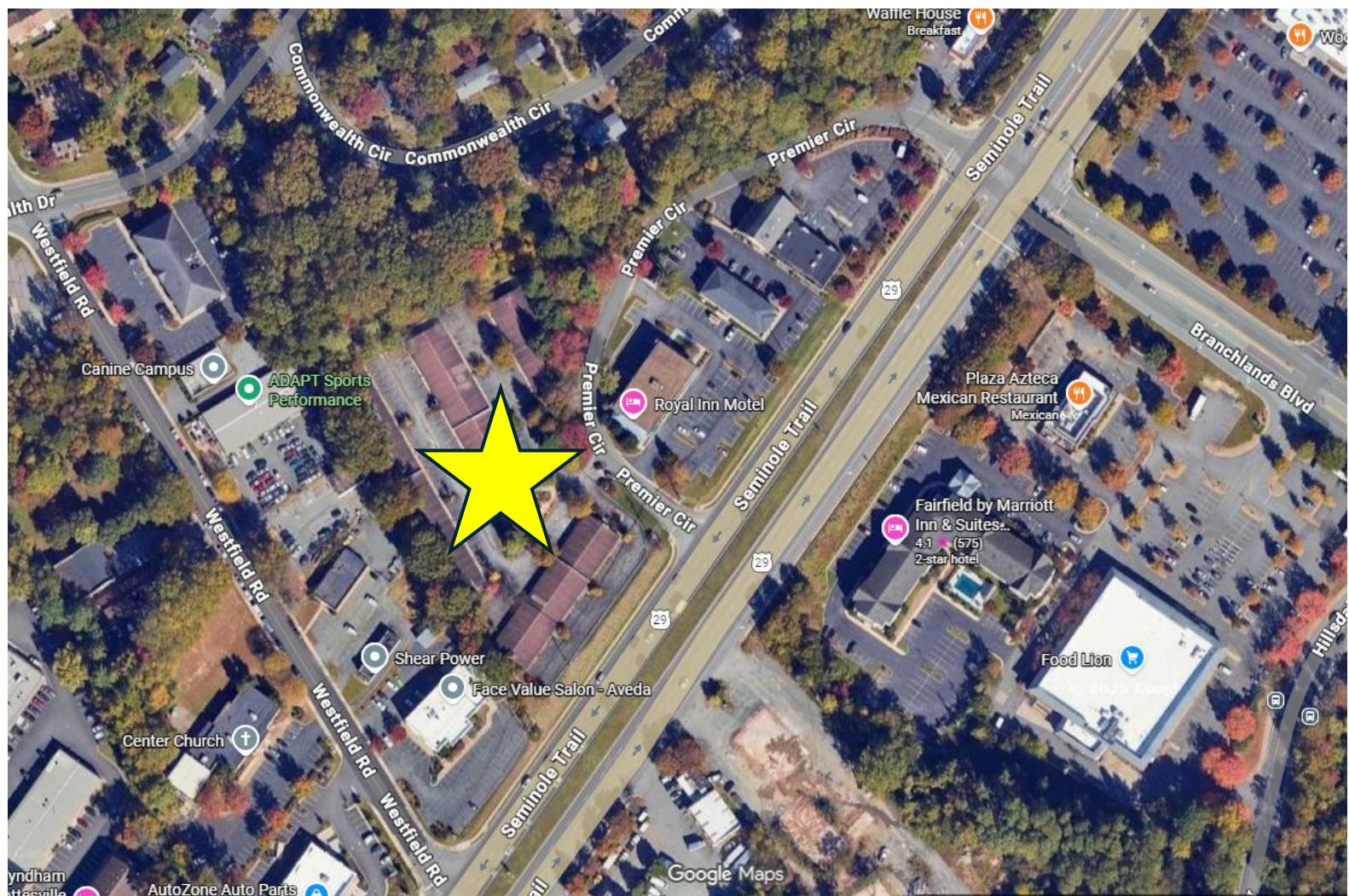
Date Adopted: _____

Certified: _____
Clerk of Council

- Former Red Roof Inn site on US-29 at Premier Circle in Albemarle County (now demolished)
- Property purchased by Piedmont Housing Alliance; SupportWorks then purchased a portion of the parcel
- Total funding support of \$4,036,722:
 - City funding support of \$936,722
 - County funding support of \$3,100,000

VISTA 29

(formerly Premier Circle)



VISTA 29

- **SupportWorks Housing is constructing 80 units of affordable housing with support services (permanent supportive housing)**
 - 12 units at or less than 40% AMI
 - 28 units at or less than 50% AMI
 - 40 units at or less than 60% AMI
- **Currently under construction**
- **Expected occupancy December 2026**



VISTA 29

Forgivable Loan Agreement:

- **\$750,000 City funding support**
- **30-year Affordability Period**
- **40-year Term on the forgivable loan**
- **Declaration of Affordable Housing Covenants recorded in public records to insure Affordability Period (except in the event of foreclosure)**



Policy Briefing Summary

City Council



Regarding:	Ordinance Authorizing a Forgivable Loan to Piedmont Housing Alliance to Support Redevelopment of 1025 Park Street/MACAA for the Purpose of Producing New Housing for Low- and Moderate-Income Persons (1 of 2 readings)
Staff Contact(s):	Kellie Brown, Director of NDS, Brenda Kelley, Redevelopment Manager
Presenter:	Brenda Kelley, Redevelopment Manager, Kellie Brown, Director of NDS
Date of Proposed Action:	January 20, 2026

Issue

City Capital Improvement Project funding totaling \$3,770,000 has been allocated for the proposed affordable housing development at 1025 Park Street (a/k/a the MACAA site). City Staff requests City Council's approval of the attached Ordinance approving the execution of necessary legal documents to disburse these funds and ensure the housing units remain affordable over time.

Background / Rule

The Monticello Area Community Action Agency ("MACAA") has partnered with Piedmont Housing Alliance ("PHA") and Habitat for Humanity of Greater Charlottesville ("Habitat") for the redevelopment of its current office and Head Start site at 1025 Park Street into a new primarily affordable mixed-tenure residential community.

The overall redevelopment of 1025 Park Street involves the construction of 86 new, affordable apartments and townhomes, a few market-rate homes, and 5,000 square feet of classroom space for MACAA's Head Start Preschool Program. PHA will develop 1025 Park Street A & B to provide 66, 1-, 2-, and 3-bedroom apartments for lease to individuals and households with incomes at or below 60% AMI. The apartments will provide 7 fully accessible, Section 504 homes for residents with physical impairments, and 2 accessible homes for residents with sensory impairments. In addition, 12 townhomes and 8 duplex dwellings will be developed by Habitat. Habitat typically serves families below 50% AMI. Over the last four years, Habitat has served families with an average AMI of 34%. As this request for funding support for the redevelopment includes the Habitat homes, Habitat will not be requesting additional funding from the City. The site also includes a portion of the development being developed as for-sale market-rate homes, which is outside the scope of this Loan Agreement and funding. Planned community amenities include community rooms, bicycle storage, elevator access and interior hallways, and access to recreation paths, open greenspace, and a potential playground serving the overall development.

As the primary source of project financing, PHA will pursue Low Income Housing Tax Credits ("LIHTC"), ensuring affordability for a minimum of 30 years. As a mission-driven nonprofit, PHA intends to maintain the property affordable in perpetuity.

Closing on the property is expected to occur in January 2026. LIHTC funding is secured, and the development team will move forward with construction documents, permitting, and securing any remaining financing with the goal of starting construction in October 2026. Construction is scheduled to take approximately 18 months, with project completion and full occupancy anticipated by the end of 2027/early 2028.

Analysis

Approval of the attached Ordinance will spell out the preliminary minimum conditions expected by the City, pursuant to Virginia Code § 15.2-958, primarily with respect to the redevelopment of the property and the ultimate development of affordable housing.

In connection with the attached Ordinance, the City Manager will be authorized to execute additional documents to effectuate this transaction. These may include, but are not limited to, Declarations of Affordable Housing Covenants (one for rental units, and one for the homeownership units), a Deed of Trust, and a Promissory Note. These documents further provide protections and guarantees in place to ensure that the affordable units are built in accordance to the agreed performance requirements.

Here are some other key elements of the attached Ordinance:

- The City will provide \$3,770,000 in Loan proceeds for this project, as follows:
 1. Up to \$3,630,000 may be used for property acquisition. If this full amount is not used for property acquisition, the remainder may be allocated as reimbursement for construction expenses.
 2. Up to \$140,000 may be used to support project-based rental assistance for up to 5 rental apartment units for a minimum of 5 years.
- A minimum of 86 for-rent or for-sale dwelling units shall be provided, as follows:
 1. A minimum of 32 units will be Rental Affordable dwelling units for rental to households having incomes at or below 60% AMI; and
 2. A minimum of 24 units will be Rental Affordable dwelling units for rental to households having incomes at or below 50% AMI; and
 3. A minimum of 10 will be Rental Affordable dwelling units for rental to households having incomes at or below 30% AMI; and
 4. A minimum of 20 units will be For-Sale Affordable dwelling units for households having incomes at or below 50% AMI.
 5. In addition, there will be 8 for-sale, market-rate homes, for which the City will not provide Loan proceeds.
- All Rental Affordable Units will be and remain affordable for a period of 99 years.
- The Homeownership Affordable Units will be affordable for a period of 30 years, consistent with details outlined in the Declaration of Affordable Housing Covenants for the Homeownership units.
- The disbursement of City funds shall constitute loan proceeds. The term of the Loan is 40 years, commencing on the date of the final disbursement of Loan proceeds by the City. Interest shall accrue on outstanding amounts of the Loan at the annual rate of 3%. If the Project is completed and operated continuously in accordance with all terms, then the Loan and the accrued interest shall be forgiven.
- Beginning with the first occupancy of any Affordable Unit, both PHA and Habitat will be required to provide an annual report for their respective units, which shall include at a minimum: (a) the number of affordable units that are occupied; (b) the number of affordable units that are vacant; (c) a sworn statement that occupants of the affordable units meet the eligibility criteria; (d) and other documents reasonably requested.
- Once the Declaration of Affordable Housing Covenants are recorded, then the Affordability Requirements become binding, not only on the current landowner(s), but also upon any third-parties to whom the Project may be sold in the future. (In other words: the Affordability Requirements will run with the Land).

Financial Impact

This request does not encumber any additional funding from the City Budget. A total of \$3,770,000 in funding has already been allocated (\$1,885,000 in FY24; and \$1,885,000 in FY25).

Recommendation

City Staff recommends City Council adopt the attached Ordinance detailing the terms and conditions associated with the City's financial contribution to support the development of affordable housing at this site. Furthermore, due to the tightly anticipated closing window for this project, City Staff is requesting that City Council adopt the attached Ordinance at tonight's first reading and waive the second reading by a 4/5 majority vote; and, thus, the attached Ordinance would be effective immediately.

Recommended Motion (if Applicable)

"I make a Motion to waive the second reading of the attached Ordinance, authorizing a Forgivable Loan to PHA for the 1025 Park Street/MACAA site, and to adopt the attached Ordinance at tonight's first reading."

Attachments

1. ORD 1025 Park MACAA Loan Agr Jan2026
2. 1025 Park St Loan Agreement finalJan2026
3. MACAA Dec of Affordable Hsg Cov (Rental) final Jan2026
4. MACAA Dec of Affordable Hsg Cov (Homeownership) final Jan2026
5. Promissory Note 1025 Park St
6. Deed of Trust - 1025 Park St finalJan2026



ORDINANCE #O- -

**AUTHORIZING A FORGIVABLE LOAN TO PIEDMONT HOUSING
ALLIANCE TO SUPPORT REDEVELOPMENT OF 1025 PARK
STREET/MACAA FOR THE PURPOSE OF PRODUCING NEW HOUSING
FOR LOW- AND MODERATE-INCOME PERSONS**

WHEREAS, the production of new housing for persons of low- and moderate-income is a public purpose and use for which public money may be spent, and such production is a governmental function of concern to the Commonwealth of Virginia; and

WHEREAS, pursuant to Virginia Code § 15.2-958, the City of Charlottesville, Virginia (“City”), may, by Ordinance, make grants or loans to the owners of residential rental property occupied, or to be occupied, following construction, by persons of low- or moderate-income, for the purpose of producing such property; and

WHEREAS, an owner assisted in this manner must provide a minimum of twenty percent (20%) of the units for low- and moderate-income persons as defined by the City for a minimum of ten (10) years and participation by an owner is voluntary; and

WHEREAS, Piedmont Housing Alliance (“PHA”) is a private, nonprofit 501(c)(3) organization (corporation) organized and operating under the laws of the Commonwealth of Virginia, having as its mission the creation of affordable housing opportunities by developing new housing and by preserving existing affordable housing; and

WHEREAS, PHA has requested the City to provide a loan for financing a portion of the costs of an affordable housing project, in an amount sufficient to subsidize the development of for-rent and for-sale affordable units and the leasing of for-rent affordable units on the property (“Project”); and

WHEREAS, the City desires to loan up to \$3,770,000 at an interest rate of three percent (3.00%) per annum for a term of approximately forty (40) years (“Loan”) to PHA pursuant to the terms and conditions of the attached Loan Agreement for 1025 Park Street/MACAA Site (“Agreement”) and Declaration of Affordable Housing Covenants, to be approved by the City prior to recordation; and

WHEREAS, the Loan will be secured by a subordinate interest in the land for the Project granted by PHA to the City as further described in the Agreement.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Charlottesville, Virginia (“City Council”), that local public funding is hereby approved for PHA to support the Project, by providing funding through the Loan in a principal amount of up to \$3,770,000, with an interest rate of three percent (3.00%) per annum for a term of approximately forty (40) years, all



subject to the lien and security, and other terms and conditions of the Agreement in substantially the form presented to City Council at this Meeting; and

BE IT FURTHER ORDAINED BY THIS CITY COUNCIL THAT the City Manager is hereby authorized to execute a Agreement containing the terms and conditions consistent with those set forth within this Ordinance, and other documents and instruments necessary to complete this Loan transaction, subject to approval by the City Attorney's Office as to the form of all such documents and instruments.

This Ordinance will take effect immediately following adoption.

Date Introduced: _____

Date Adopted: _____

Certified: _____

Clerk of Council _____

LOAN AGREEMENT FOR 1025 PARK STREET/MACAA SITE

This Loan Agreement (this “Agreement”) is by and between Piedmont Housing Alliance (“PHA”) and the City of Charlottesville, Virginia (the “City”) dated as of this _____ day of _____, 2026.

RECITALS

WHEREAS, the production of new housing for persons of low and moderate income is a public purpose and use for which public money may be spent, and such production is a governmental function of concern to the Commonwealth of Virginia and the City; and

WHEREAS, pursuant to Virginia Code §15.2-958 the City of Charlottesville may, by ordinance, make grants or loans to the owners of residential rental property occupied, or to be occupied, following construction, by persons of low or moderate income, for the purpose of producing such property; and

WHEREAS, an owner assisted in this manner must provide a minimum of 20 percent of the units for low and moderate income person as defined by the City for a minimum of 10 years and participation by an owner is voluntary; and

WHEREAS, Piedmont Housing Alliance (“PHA”) is a private, nonprofit 501(c)(3) organization (corporation) organized and operating under the laws of the Commonwealth of Virginia, having as its mission the creation of affordable housing opportunities by developing new housing and by preserving existing affordable housing; and

WHEREAS, PHA is planning the development of 1025 Park Street, a/k/a MACAA site, funded by Low Income Housing Tax Credits, private donations, grants, local government funding from the City of Charlottesville, and one or more mortgage loans; and

WHEREAS, PHA has requested the City of Charlottesville (the “City”) to award local public funding for the Project (as defined below), in an amount sufficient to subsidize the development of for-rent and for-sale affordable units and the leasing of for-rent affordable units on the property; and

WHEREAS, the City desires to loan up to \$3,770,000 at an interest rate of 3.00% per annum for a term of approximately 40 years (the “Loan”) to PHA pursuant to the terms and conditions of this agreement (the “Agreement”) and the Declaration of Affordable Housing Covenants, to be approved by the City prior to recordation; and

WHEREAS, the Loan will be secured by a subordinate interest in the land for the Project granted by PHA to the City as further described in the Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt of which has been acknowledged by the parties, the following is agreed:

Section 1. Public purpose of the Loan

This Loan is provided to Piedmont Housing Alliance (“Recipient” or “PHA”) to be used for the public purposes of providing funding to assist the property acquisition, development and construction of new for-rental and for-sale housing units within the land located at 1025 Park Street/MACAA site (the “Subject Property”) and to provide project-based rental assistance for the for-rental housing units (collectively, the “Project”). The Project shall be diligently prosecuted by the Recipient, to the end that, upon completion of construction, the Project will include 66 Rental Affordable Units (as defined below) and 20 For-Sale Affordable Units (as defined below). **One hundred percent (100%) of the city-subsidized dwelling units within the Project will be for rental by low- and moderate-income persons, for a period not less than ninety-nine (99) years; or for ownership by low- and moderate-income persons, for a period not less than thirty (30) years.**

Section 2. Representations and Warranties by the Recipient

To induce the City to make the Loan, Recipient makes the following as its representations and warranties to the City:

- (A) Recipient is a corporation organized under the laws of the Commonwealth of Virginia, active and in good standing as of the date of its execution of this Agreement.
- (B) Recipient is a nonprofit 501(c)(3) organization whose 501(c)(3) status remains in effect as of the date of its execution of this Agreement.
- (C) Recipient will use its best efforts to ensure the Loan funds will be used only for the public purposes referenced in Section 1. Recipient may expend the Loan funds itself, or Recipient may loan the funds to a third party who is legally obligated to use the funds only for the public purpose referenced in Section 1. Recipient shall execute any deed of trust or security agreement reasonably requested by the City as further security for the Loan from the City, subject to certain requirements of lenders, including this Agreement and the Declaration of Affordable Housing Covenants being subordinate and subject to the lien of all lenders to the Project and including the forbearance of certain creditor’s rights and remedies during the applicable federal tax credit “compliance period” when the investor member has an ownership interest in the Project.
- (D) Recipient shall in good faith take all measures necessary to ensure that the Project contains 66 Rental Affordable Units and 20 For-Sale Affordable Units (as defined in Section 3(B) below) for low- and moderate-income persons, in accordance with the Declaration of

Affordable Housing Covenants, to be recorded following approval by the City prior to recordation, and any amendments thereto.

- (E) The Declaration of Affordable Housing Covenants shall be recorded in the land records of Charlottesville Circuit Court, prior to issuance of a building permit. The City Manager and City Attorney shall approve the Declaration of Affordable Housing Covenants prior to recordation.
- (F) Monticello Area Community Action Agency (the “Landowner”) currently owns the land comprising the development site of the Project. The Landowner entered into that certain Purchase and Sale Agreement with PHA dated March 13, 2023 (the “PSA”). Recipient has verified that the Landowner does not intend to transfer or convey title to any such land to any third party, other than the Recipient, or an entity of which PHA is a controlling member.
- (G) Recipient will use its best efforts to ensure the development of the Project shall be consistent with the final site plan developed by the Recipient with public input from the community and approved by the City pursuant to Article 4 of the Development Code of the City of Charlottesville, Virginia (as amended, the “Development Code”), a copy of which is depicted in ***Illustration 1***, following below, as such final site plan may be amended from time to time consistent with the Development Code, the provisions of the Declaration of Affordable Housing Covenants and the public purposes for which this Loan is offered pursuant to Virginia Code §15.2-958.



Illustration 1.

- (H) Recipient will ensure the development of the Project shall comply with all relevant Federal, State and local laws and regulations.
- (I) Recipient will execute any and all documents reasonably requested by the City to finalize the Loan authorized by this Agreement, including, without limitation, any note, deed of trust, security agreement or guaranty.
- (J) The representations set forth within paragraphs (A) through (I) preceding above are material provisions of this Agreement.

Section 3. Authorized Expenditures; Budget

- (A) The Project is planned as redevelopment of a portion of the land currently identified by Tax Parcel Identification Nos. 470008000, 470011000, and 470007100, currently assigned the street addresses of 1021 Park Street, 1023 Park Street, and 1025 Park Street, Charlottesville, Virginia. See Exhibit A for a legal description for the Subject Property.

(B) The Project shall include no fewer than eighty-six (86) for-rent or for-sale affordable dwelling units, of which: (i) a minimum of thirty-two (32) will be Rental Affordable dwelling units for rental to households having incomes at or below sixty percent (60%) AMI; and (ii) a minimum of twenty-four (24) will be Rental Affordable dwelling units for rental to households having incomes at or below fifty percent (50%) AMI; and (iii) a minimum of ten (10) will be Rental Affordable dwelling units for rental to households having incomes at or below thirty percent (30%) AMI (collectively, the “Rental Affordable Units”); and (iv) a minimum of twenty (20) For-Sale Affordable dwelling units will be Greater Charlottesville Habitat for Humanity, Inc. for-sale homes for sale to households having incomes at or below fifty percent (50%) AMI (the “For-Sale Affordable Units”). In addition, there will be eight (8) for-sale, market-rate homes, for which the City will not provide Loan proceeds. The Rental Affordable Units and the For-Sale Affordable Units are collectively referred to as “Affordable Units”.

(C) The City will provide **\$3,770,000.00** in Loan proceeds for the Project. Loan proceeds may be expended as follows:

- i. Up to **\$3,630,000.00** may be expended for property acquisition. Any portion of this amount not expended for acquisition may be expended in accordance with (ii), below.
- ii. Funding may be used for site work (demolition of existing buildings, grading, erosion, and sediment control measures, etc.), the installation, construction, or reconstruction of streets (inclusive of sidewalk, curb and gutter, stormwater, landscaping), utilities, essential to the Project, and/or for construction of new affordable housing units for low- and moderate-income persons.
- iii. Up to **\$140,000.00** may be expended to support project-based rental assistance for up to five (5) apartment units for a minimum of five (5) years for qualified households for monthly rental assistance. Any portion of this amount not expended for rental assistance may be expended in accordance with (ii), above.

(D) Construction will commence within six months following the later of Recipient’s closing on the purchase of the Subject Property or closing on the construction loan(s) for the Project, and be diligently prosecuted by Recipient to completion.

(E) Recipient shall establish a budget for construction for the Project, and for construction of Rental Affordable Units and For-Sale Affordable Units (the “Budget”), and will submit the Budget to the City for approval. Once the Budget is approved by the City, Recipient will

notify the City of material changes to the Budget which would materially increase the cost of any aspect of construction.

(F) The Budget shall establish stand-alone line items for construction. The Budget shall also include line items for a Construction Contingency Amount, soft costs and other reserves acceptable to the City.

Section 4. Disbursement of Loan Proceeds

(A) Disbursements for Property Acquisition

Prior to disbursement of loan proceeds for expenses incurred pursuant to Section 3(C)(i), the Recipient shall furnish or cause to be furnished to the City, in form and substance satisfactory to the City:

- (i.) a Disbursement certification in a form approved in advance by the City; and
- (ii.) a copy of the settlement statement and itemization; and
- (iii.) a copy of the Seller's signed settlement documentation; and
- (iv.) Lender's clear to close statement (if financing/lender is applicable)

Following receipt of this complete Disbursement Request, the City shall issue payment of Loan proceeds to the Recipient within fifteen (15) days. Funds will be wired to the closing attorney's escrow account. Recipient will be responsible for providing all wiring instructions. If closing does not occur within three (3) business days, funds will be returned to the City.

Within thirty (30) days following closing, Recipient shall provide the following information to the City:

- (i.) A copy of the final executed closing statement; and
- (ii.) a copy of the recorded deed; and
- (iii.) a copy of the final title policy; and
- (iv.) if financing is applicable, a copy of the recorded deed of trust

(B) Preconditions for Disbursements, General

Prior to the first disbursement of any Loan proceeds for expenses incurred pursuant to Section 3(C)(ii) or (iii), the Recipient shall furnish all of the following documents to the City for the Project, in a form acceptable to the City in all respects, for the City's approval:

- i. Documentation that the Site Plan for the Project has been approved by the City's Neighborhood Development Services Department.

- ii. A copy of the approved building permit issued for the vertical construction of the Rental Affordable Units.
- iii. A Construction Schedule that implements construction of the Rental and For-Sale Affordable Units.
- iv. The Budget required by Section 3, above.
- v. Declaration of Affordable Housing Covenants, approved by the City Attorney and the City Manager prior to execution by Recipient and recorded within the land records of the Circuit Court for the City of Charlottesville.

If the above-referenced documents demonstrate the adequacy of the Budget to complete the construction of the Project, including all Rental and For-Sale Affordable Units, and if the Construction Schedule is realistic, then the City's approval shall not unreasonably be withheld.

(C) Disbursements for Construction of Affordable Housing

Following the date on which the Declaration of Affordable Housing Covenants are recorded within the City's land records, the Recipient may request disbursements of the Loan funds, not expended for property acquisition or rental assistance. Disbursements may be made by the City from time to time during construction of new Affordable Units, as such construction progresses, no more frequently than once per calendar month, until the City has disbursed the aggregate amount specified within Section 3(C)(i) or (iii).

As a condition precedent to each disbursement of loan proceeds, the Recipient shall furnish or cause to be furnished to the City all of the following documents for each disbursement, in form and substance satisfactory to the City: **(a)** a Disbursement Certification in a form approved in advance by the City; **(b)** copies of payment approval forms, certified by an architect or engineer authorizing payment of specific amount(s), and documentation that such amount(s) have actually been paid to construction contractor(s) and subcontractor(s), for work completed; **(c)** certification by an architect or a professional engineer licensed by the Commonwealth of Virginia, that construction of the improvements and facilities that are the subject(s) requested of loan disbursements is in conformity with the approved final plan and applicable city standards; **(d)** a budget-to-actual expenditure report for the construction, current through the date of the disbursement request; **(e)** a Construction Schedule report, documenting the actual progress of construction compared with the approved Construction Schedule. In the aggregate, items (a)-(e) shall constitute a "Disbursement Request".

Following receipt of a complete Disbursement Request, the City shall issue payment of Loan proceeds to the Recipient reimbursing amounts documented within the Disbursement Request as

having actually been paid for construction. Payment shall be made within 30 days of the City's receipt of a complete Disbursement Request.

(D) Disbursements for Rental Assistance

Following the date on which the Certificate of Occupancy for the Rental Affordable Unit(s) has been issued, the Recipient may request disbursements of the Loan funds for that portion of the quarterly amount of in-advance rental assistance, and disbursements may be made by the City quarterly, until the City has disbursed the aggregate amount specified within Section 3(C)(iii).

As a condition precedent to the first disbursement of rental assistance loan proceeds, the Recipient shall furnish or cause to be furnished to the City all of the following documents for each disbursement, in form and substance satisfactory to the City: **(a)** a Disbursement Certification in a form approved in advance by the City; **(b)** documentation that the Rental Affordable Unit(s) for which rental assistance will be applied have been leased to qualified household(s). In the aggregate, items (a)-(b) shall constitute a "Disbursement Request".

As a condition precedent to each subsequent disbursement of rental assistance loan proceeds, the Recipient shall furnish or cause to be furnished to the City all of the following documents for each disbursement, in form and substance satisfactory to the City: **(a)** a Disbursement Certification in a form approved in advance by the City; **(b)** an annual report documenting the expenditure of rental assistance for the previous year; including, but not limited to:

- Date unit leased
- Name (head of household)
- Unit Address
- Total Monthly Rent
- Amount of Monthly Rental Assistance Provided
- Household Income
- Household %AMI
- Employment Status
- Number of Wage Earners
- Household Composition
 - Number of Adults
 - Number of Children
 - Number of Children Under 5-years
 - Number of Elderly (65 years+)
 - Number of Disabled
 - Race/Ethnicity
- Refugee status (if applicable)
- Unit vacancy (if applicable)

(c) documentation that rental assistance was applied to the Rental Affordable Unit(s); **(d)** a budget-to-actual expenditure report for rental of the Rental Affordable Unit(s) for which the rental assistance was applied. In the aggregate, items (a)-(d) shall constitute a “Disbursement Request”.

Following receipt of a complete Disbursement Request, the City shall issue payment of Loan proceeds to the Recipient for the annual amount requested within the Disbursement Request for rental assistance. Payment shall be made within 30 days of the City’s receipt of a complete Disbursement Request.

(E) Execution of Loan Instruments

This Loan is in the amount of the total disbursements made by the City to the Recipient, pursuant to Section 3(C) preceding above. Disbursement shall be made up to the Loan maximum specified in Section 3(C), above. All disbursements shall be added to the principal of the Loan, and interest at the rate of this Loan shall accrue thereon from the date each disbursement is made. The City shall not disburse any loan proceeds to the Recipient unless and until the Recipient has executed and delivered to the City all documents or legal instruments deemed by the City to be necessary to effectuate the Loan and to secure the City’s ability to enforce the requirements of this Loan Agreement. The following terms and conditions are material to the City’s agreement to enter into this Loan Agreement and shall be requirements of this Agreement enforceable in accordance with this Loan Agreement as well as through any documents or legal instruments that effect and secure the Loan of public funds to the Recipient:

- (i) Recipient will use commercially available best efforts to negotiate provisions in a subordination agreement with the senior lender(s) for the acquisition, construction and/or development of the Project that provide the City with the right to cure a default under such senior loan(s), with wording acceptable to the City Manager and City Attorney. The income, rent and use restrictions required by this Agreement and the Declaration of Affordable Housing shall terminate upon a foreclosure of any such senior loan, except: (i) twenty percent (20%) of the units within the Project may remain at sixty percent (60%) of area median income following such a foreclosure, and (ii) VHDA may permit additional units at 60% AMI to survive such a foreclosure, provided that VHDA determines, in its sole discretion, that the development will achieve a targeted debt service coverage rate (DCSR) of at least 1.25 while subject to such additional set-aside. The City Manager, after consultation with the City Attorney’s Office, is the City official hereby designated as having authority as the agent of City Council to renegotiate income, rent and use restrictions required by this Agreement and the Declaration of Affordable Housing Covenants, and any amendments thereto, and to enter into a binding amendment of this Agreement, if such renegotiation or amendment is necessary to facilitate Recipient’s receipt of financing from VHDA, provided that (i) the renegotiated terms are no less

than those VHDA itself requires in its own Lending Policy and (ii) in accordance with Virginia Code §15.2-958, a minimum of twenty percent (20%) of the housing units within the Project shall be Rental or For Sale Affordable Units for a minimum of ten (10) years.

- (ii) Deferred Payment Loan; Payment Date. This Loan shall be a deferred payment loan. The deferral period shall commence on the Commencement Date specified in subparagraph (iii), below, and shall expire at midnight on December 31 of the fortieth (40th) calendar year thereafter (“Deferral Period”). Interest shall accrue during the Deferral Period, in the amount specified in subparagraph (iv) following below.
- (iii) Each Disbursement of funds made by the City to the Recipient shall constitute loan proceeds (individually and collectively, the “Loan”) of the Loan that is the subject of this Agreement. The term of the Loan shall be forty (40) years, commencing on the date of the final disbursement of Loan proceeds by the City to the Recipient pursuant to this Agreement (“Commencement Date”). If the Project is completed and operated continuously in accordance with the requirements of this Agreement and the Declaration of Affordable Housing Covenants, and any amendments thereto, throughout the entire Deferral Period (i.e., continuously from the Commencement Date through the expiration of the Deferral Period) then the Loan shall be forgiven. Recipient will grant to the City, as security for the Loan, an assignment of its subordinate interest in the Project, which secures its Sponsor Loan to the Project Owner. The assignment shall be subordinate to loans from VHDA or any federal agency.
- (iv) Interest shall accrue on outstanding amounts of the Loan, at the annual rate of three percent (3%), beginning on the Commencement Date specified in (iii), above. If the Project is completed and operated continuously in accordance with the requirements of this Agreement and the Declaration of Affordable Housing Covenants, and any amendments thereto, throughout the entire Deferral Period referenced in paragraph (ii) preceding above (i.e., continuously from the Commencement Date through the expiration of the Deferral Period) then the accrued interest shall be forgiven.
- (v) Payment. All Loan proceeds disbursed to the Recipient shall immediately become due and owing to the City in full, in each case following any applicable notice and cure period:
 - a. on the date of any Uncured Event of Default on the Loan;

- b. upon the insolvency or dissolution of the Recipient;
- c. on the date of any foreclosure of the Project; or
- d. upon the sale or transfer of the property, or any portion(s) thereof, to any person other than a related entity, or other assignee, who has been approved by the City in advance. For purposes of this Agreement, the term “related entity” means any transferee that is controlled by the Recipient, the Landowner, or both.

(vi) For so long as the City Loan proceeds are subsidizing the Project, Recipient, on behalf of itself and its heirs, successors and assigns (collectively, “Owner”) agree that, prior to the first refinancing of the senior lien debt, or prior to the next new tax credit financing (but subject to any senior lender approvals, in their sole discretion, if such new tax credit financing does not include a refinancing of the senior debt) it will propose an Affordability Analysis to the City for the City’s review and approval; provided, however, that if such refinancing or new tax credit financing results in the payoff of the City Loan, no Affordability Analysis will be required. The Affordability Analysis will determine and detail if any qualified tenants have incomes permitted under the federal low income housing tax credit program that are one hundred forty percent (140%) in excess of the applicable imputed income over the program’s AMI limit. For example, if there is a 60% AMI unit, an “over-income” tenant would be considered to be over 140% above the 60% limit. In other words: Assume Area Median Income is \$100,000 and at 60% the unit income would be \$60,000, then 140% over income would be \$84,000. In such case(s) where it is determined that there are “over-income” tenants, the Owner will agree to propose further income restriction to the other restricted units to the reasonable satisfaction of the City.

(vii) **Default.** If any Event of Default shall occur pursuant to this Loan Agreement and is not cured within sixty (60) days from the date that written notice of such Event of Default is given by the City to the Recipient or such longer period as was reasonably necessary for cure, provided the Recipient requested an extension prior the expiration of the 60-day cure period and the City approved the request in writing (“Uncured Event of Default”), the Loan shall immediately become due and payable in full to the City. Each of the following shall constitute an Event of Default:

- a. Use of Loan funds for any purpose(s) other than those articulated within Section 1 of this Loan Agreement;

- b. Failure to comply with the terms and conditions of this Loan Agreement;
- c. Failure to comply with the requirements of the Declaration of Affordable Housing Covenants, as it may be amended;
- d. Failure to perform any of Recipient's obligations under this Loan Agreement with respect to construction of the Project;
- e. A successful legal challenge initiated by the Landowner or Recipient, asserting that the Declaration of Affordable Housing Covenants, and any amendments thereto, is invalid or unenforceable, in whole or as applied to such person;
- f. Failure of Recipient to perform any obligation required by any document that secures this Loan;
- g. Failure of Recipient to give the City notice of any anticipated sale of all or any portion of the Project to any person that is not controlled by the Recipient, and who will use it for any purpose other than that specified within Section 1 of this Agreement.

(viii) **Remedies for Default.** If Recipient fails to pay the Loan or fails to cure any Event of Default prior to the end of the 60-day notice period, the City may invoke foreclosure of this Loan Agreement or any other remedy allowed by the Loan Agreement, any document related to this Loan, or by the laws of the Commonwealth of Virginia. All of the City's rights and remedies are distinct and cumulative to any other rights and remedies under this Agreement, or otherwise at law, and may be exercised concurrently, independently, or successively.

(ix) **No Waiver.** No forbearance by the City in exercising any right or remedy hereunder, or otherwise afforded by Virginia law, shall constitute a waiver of, nor shall forbearance preclude the exercise of, any right or remedy.

Section 5. General Terms and Conditions

(A) **Non-Appropriations Condition.** The obligations of the City as to any funding beyond the end of Fiscal Year 2026 (June 30, 2026) are expressly made subject to the availability of and appropriation by the City Council of sufficient public funds to support continued performance of this agreement by the City in succeeding fiscal years. When public funds are not appropriated or are otherwise unavailable to support continuation of payment(s) by the City to Recipient in a subsequent fiscal year, the City's obligations hereunder shall automatically expire, without liability or penalty to the City. Within a reasonable time following City Council's adoption of a budget, the City shall provide the Recipient with

written notice of any non-appropriation or unavailability of funds affecting this Loan agreement.

(B) Assignments. The City reserves the right to approve in advance any assignment of this Agreement by the Recipient to any individual or entity, and the ownership and membership of any such entity must be disclosed to the City. Any change in the Recipient's organizational structure, and any change in the Recipient's status or Recipient's relationship to the Project shall also be subject to approval by the City. Notwithstanding the foregoing, the City hereby consents to the assignment of this Agreement to 1025-A Park Street, LLC and 1025-B Park Street LLC ("Permitted Assignees") and so long as PHA is a controlling member of the Permitted Assignees no additional consent is required. Any such assignee shall be bound by all the terms and conditions of this Agreement.

(C) Public Disclosure of Agreement Documents. The Recipient acknowledges and understands that this agreement, and all related public proceedings and records, shall be open to the inspection of any citizen or any interested person, firm or corporation, in accordance with the Virginia Freedom of Information Act (Va. Code §2.2-3700 et seq.) and the Virginia Public Procurement Act (Va. Code §2.2-4300 et seq.) to the extent that either of those laws applies.

(D) No Waiver of Rights. No failure on the part of the City to enforce any of the terms or conditions set forth in this agreement shall be construed as or deemed to be a waiver of the right to enforce such terms or conditions. No waiver by the City of any default or failure to perform by the Recipient shall be construed as or deemed to be a waiver of any other and/or subsequent default or failure to perform. The acceptance of the performance of all or any part of this Agreement by the City, for or during any period(s) following a default or failure to perform by the Recipient, shall not be construed as or deemed to be a waiver by the City of any rights hereunder, including, without limitation, the City's right to terminate this Agreement.

(E) Force Majeure. All dates in this Agreement shall be extended for a period of time equal to the period of any delay directly affecting such date which is caused by fire, earthquake or other acts of God, strike, lockout, acts of public enemy, riot, insurrection, pandemic, disease, work shortages, acts beyond the control of the parties, declared state of emergency or public emergency, government mandated quarantine or travel ban, government shutdown or governmental regulation. All federal extensions permitted due to any pandemic, declared state of emergency or public emergency, government mandated quarantine or travel ban, or any other similar event, shall also apply to the dates in this Loan Agreement.

(F) Severability. In the event that any term, provision, or condition of this Agreement, or the application thereof to any person or circumstance shall be held by a Court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, and the application of any term, provision or condition contained herein to any person or circumstance other than those to which it has been held invalid or unenforceable, shall not be affected thereby.

(G) Governing Law. This Agreement shall be governed by the laws of the Commonwealth of Virginia, and, in the event of litigation, jurisdiction and venue shall be in the Circuit Court of the City of Charlottesville, Virginia, and all legal actions involving this Agreement shall be brought only in such court. All parties hereto agree that in the event of any action brought to enforce the terms and provisions hereof, the prevailing party shall be entitled to reimbursement of reasonable attorney's fees and court costs. All parties to this Agreement have standing to enforce any covenants, terms, provisions, and agreements set forth herein.

(H) Entire Agreement. This Agreement is the entire agreement between the parties hereto, sets forth all of promises, agreements, conditions, and understandings between the parties respecting the subject matter hereof and supersedes all prior and contemporaneous negotiations, conversations, discussions, correspondence, memoranda, and agreements between the parties concerning such subject matter.

(I) Authorized City Signature. By its approval of this Agreement, the Charlottesville City Council authorizes the Charlottesville City Manager to execute Agreements to effectuate the requirements herein on its behalf.

(J) Amendments. The City Manager is hereby authorized to modify terms and conditions set forth within this Agreement, without Council review and approval, but only if such amendment(s) do **not** materially modify: (i) the number or level of affordability of Affordable Units to be provided by Recipient, or the length of the Affordability Period, (ii) the layout of land uses, or the general or approximate location of the proposed buildings and streets, as depicted in *Illustration 1*, above, within this Agreement, or (iii) the dollar amount(s) of the Loan, as set forth within Section 3(C) of this Agreement. Any amendments of the terms referenced in clauses (i) – (iii) preceding above within this paragraph must be approved by ordinance of City Council in the same manner as this Agreement.

(K) Notices. All notices required under this Agreement shall be given in writing, and shall be deemed to be received five (5) business days after being mailed by first class mail, postage prepaid, return receipt requested, or one (1) business day after being placed for next day delivery with a nationally recognized overnight courier service, or upon receipt when

delivered by hand, addressed as follows: (i) if given to the City—to the City Manager, with a copy to the City Attorney, each to: 605 East Main Street, Second Floor, City Hall (P.O. Box 911), Charlottesville, Virginia, 22902, or (ii) if given to the Recipient—to Piedmont Housing Alliance, Attention: Executive Director, 682 Berkmar Circle, Charlottesville, Virginia, 22901, with a copy to Doruk Onvural, Klein Hornig, LLP, 1325 G Street, N.W., Suite 770, Washington, DC, 20005 and a copy to the other financing parties at the address(es) provided by the Recipient.

[Signatures on next page]

CITY OF CHARLOTTESVILLE, VIRGINIA

By: _____
City Manager

PIEDMONT HOUSING ALLIANCE

By: _____

Print Name: _____

Title: _____

Funds are Available:

By: _____
Director of Finance

Date: _____

Approved as to Form:

By: _____

Title: _____

EXHIBIT A

Legal Description of Property

Legal Description of Rental Property

All that those certain lots or parcels of land, together with all improvements thereon and rights and appurtenance thereto, located in the City of Charlottesville, Virginia, shown as "Lot E1" and "Lot F1" on a plat entitled "PLAT SHOWING MAJOR SUBDIVISION KNOWN AS MACAA REDEVELOPMENT AND BEING CITY PIDS 470007100, 470008000, & 470011000 IN THE CITY OF CHARLOTTESVILLE, VIRGINIA" prepared by Timmons Group, dated December 22, 2023, last revised October 25, 2024, and recorded with a deed in the Clerk's Office of the Circuit Court of the City of Charlottesville, Virginia, as Instrument No. 202400003048;

BEING a portion of the same real estate conveyed to Monticello Area Community Action Agency, a Virginia nonstock corporation, by the following instruments: (a) deed from Charlottesville-Albemarle YMCA Inc., a Virginia non-stock corporation, and Christine C. Chapman, Substitute Trustee under Agreement dated April 10, 1989, creating The McIntire Land Trust, dated May 19, 1993, recorded June 10, 1993 in the Clerk's Office, Circuit Court, Charlottesville, Virginia in Deed Book 604, Page 568; (b) deed from Rebecca W. West dated November 22, 2016, recorded December 2, 2016 in said Clerk's Office as Instrument No. 201600004608; and (c) from 1023 Park Street, LLC, a Virginia limited liability company, by a Deed of Gift of Boundary Line Adjustment dated December 18, 2024, recorded December 19, 2024, in said Clerk's Office as Instrument No. 202400003048.

Legal Description of Homeownership Property

All that those certain lots or parcels of land, together with all improvements thereon and rights and appurtenance thereto, located in the City of Charlottesville, Virginia, shown and described on a plat entitled "PLAT SHOWING MAJOR SUBDIVISION KNOWN AS MACAA REDEVELOPMENT AND BEING CITY PIDS 470007100, 470008000, & 470011000 IN THE CITY OF CHARLOTTESVILLE, VIRGINIA" prepared by Timmons Group, dated December 22, 2023, last revised October 25, 2024, and recorded with a deed in the Clerk's Office of the Circuit Court of the City of Charlottesville, Virginia, as Instrument No. 202400003048 as follows:

LOTS A1 through A8

LOTS C1 through C6

LOTS D1 through D6

BEING a portion of the same real estate conveyed to Monticello Area Community Action Agency, a Virginia nonstock corporation, by the following instruments: (a) deed from Charlottesville-Albemarle YMCA Inc., a Virginia non-stock corporation, and Christine C. Chapman, Substitute Trustee under Agreement dated April 10, 1989, creating The McIntire Land Trust, dated May 19, 1993, recorded June 10, 1993 in the Clerk's Office, Circuit Court, Charlottesville, Virginia in Deed Book 604, Page 568; (b) deed from Rebecca W. West dated November 22, 2016, recorded December 2, 2016 in said Clerk's Office as Instrument No. 201600004608; and (c) from 1023 Park Street, LLC, a Virginia limited liability company, by a Deed of Gift of Boundary Line Adjustment dated December 18, 2024, recorded December 19, 2024, in said Clerk's Office as Instrument No. 202400003048.

Prepared by and Return to:
Piedmont Housing Alliance
682 Berkmar Circle
Charlottesville, Virginia 22901

Re: City of Charlottesville Real Estate Parcel Id. No. 470008000, 470011000, 470007100

DECLARATION
OF AFFORDABLE HOUSING COVENANTS
(RENTAL)

THIS DECLARATION OF AFFORDABLE HOUSING COVENANTS (RENTAL)

(hereinafter, “Covenant”) is made as of the _____ day of _____, 2026 (“Effective Date”), by _____ (“Project Owner”, and sometimes referred to herein as the “Landowner” or the “Grantor”), having an address of 682 Berkmar Circle, Charlottesville, Virginia 22901, for the benefit of the CITY OF CHARLOTTESVILLE, a municipal corporation, 605 East Main Street, City Hall, Charlottesville, Virginia, 22902 (the “City” or “Grantee”).

RECITALS

R-1. Landowner is the fee simple owner of certain real property located in the City of Charlottesville as further described in Exhibit A (the “Property”) attached to this Covenant, which Property will include the development of Rental Affordable Units, as further defined below (the “Project”) within the larger redevelopment known as _____.

R-2. To further the public purpose of increasing the affordable housing stock within the City of Charlottesville and, in particular, on the Property, the City is willing to loan certain public funding to Piedmont Housing Alliance (“PHA”), in accordance with the provisions of Virginia Code §15.2-958.

R-3. The City and Project Owner desire to set forth herein the terms, restrictions and conditions upon which Project Owner will construct, maintain, sell and lease the Rental Affordable Units within the Project.

R-4. By Ordinance adopted on _____, the City agreed to loan public funding pursuant to the provisions of Va. Code §15.2-958, to subsidize construction of streets, utilities and other site improvements essential to the Project and to support the production of new units of residential rental and for-sale property within the Project, to be occupied following construction by Households of low and moderate income. The City’s adoption of the City Ordinance was induced by PHA’s representation that

certain residential units within the Project will, at Project buildout, be Affordable Units.

R-5. The City and Project Owner mutually acknowledge the value of assistance provided by the City and the value of the considerations rendered by the Project Owner in maintaining the dwelling units at reduced rents for Households of low and moderate income.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties hereby declare, covenant and agree as follows, with respect to the Property described within Exhibit A to this Covenant:

ARTICLE I

DEFINITIONS

For the purposes of this Covenant, the capitalized terms used herein shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as, the singular.

Affordability Period: is ninety-nine (99) years, calculated as set forth within Article X.

Affordability Requirement: has the meaning given in Section 2.1.

Affordable Unit: means a residential dwelling unit for occupancy by a household having household income at or below 80% of Area Median Income who are paying no more than 30% of income for Gross Housing Costs, including utilities, which housing will be used to satisfy the Affordability Requirement, all of which shall be identified in the Affordable Unit Index. Where the term “Committed Affordable Unit” or “Committed Rental Affordable Unit” is used, said term refers to an Affordable Unit or Rental Affordable Unit committed by means of this Covenant to satisfy the Affordability Requirement throughout the Affordability Period.

Affordable Unit Marketing Plan: means Project Owners’ plan(s) for marketing the rental or sale of the Affordable Units, as approved by the Agency pursuant to Section 2.3.

Affordable Unit Occupant: means a Qualified Tenant who lease(s) a Rental Affordable Unit.

Agency: means the Office of the Charlottesville City Manager, and any successor department whose mission includes administration of the City’s Affordable Housing Program.

Area Median Income (AMI): means median family income limits for the City of Charlottesville, Virginia, established and adjusted by the U.S. Department of Housing and Urban Development (HUD) annually by household size.

Annual Household Income: means the aggregate annual income of a Household as determined by using the standards set forth in 24 CFR § 5.609, as may be amended, or as otherwise set forth by the Agency.

Annual Report: has the meaning given in Section 4.10.

Business Day means Monday through Friday, inclusive, other than holidays recognized by the City of Charlottesville government.

CAO means the Office of the City Attorney for the City of Charlottesville, Virginia.

Certificate of Tenant Eligibility means a certification by a Household at its initial occupancy of an Affordable Unit, in a form approved by the Agency, that shall be given to the Agency, Project Owner, and the Certifying Authority, representing and warranting the following: (a) the Household is a Qualified Tenant and has disclosed all of its Annual Household Income to the Certifying Authority, (b) the Household's Annual Household Income is at or below the maximum Annual Household Income for the applicable Affordable Unit, (c) the Household has been informed of its rights and obligations under this Covenant, (d) the Household intends to occupy the Affordable Unit as its principal residence, (e) that the Household size is within the Occupancy Standard for the Affordable Unit, and (f) any other reasonable and customary representations requested by the Agency.

Certification of Income: means a certification made by a Certifying Authority that verifies the Annual Household Income of a Qualified Tenant meets the Designated Affordability Level for an applicable Affordable Unit and meets the requirements of Section 4.5 or Section 5.2.1, as applicable, in such form as the Agency approves.

Certification of Inspection: means a certification by Project Owner that it has performed or caused to be performed an inspection of a Rental Affordable Unit and that, to the best of Landowner's knowledge, such Rental Affordable Unit is in compliance with all applicable statutory and regulatory requirements, in such form as the Agency approves.

Certification of Residency: means a certification made by an Affordable Unit tenant that states that the Affordable Unit Occupant occupies the Affordable Unit as its principal residence, in such form as the Agency approves.

Certifying Authority: means PHA or any other entity or entities approved by the Agency pursuant to Section 2.4.

City Ordinance: means that certain ordinance adopted by the Charlottesville City Council on _____, pursuant to Virginia Code §15.2-958, and any amendments made thereto, to approve and establish guidelines for the production of new housing for persons of low and moderate income within the Project and to assure that such housing will be occupied following construction by low and moderate income persons throughout the Affordability Period.

Code: means the Internal Revenue Code of 1986, as amended.

Designated Affordability Level (DAL): means the percentage of AMI assigned to each Affordable Unit, at or below which a Qualified Tenant's Annual Household Income must fall.

Household(s): means all individuals who will occupy the Affordable Unit, including all individuals over eighteen (18) years of age whose names will appear on the lease, the purchaser's or tenant's as applicable, spouse or domestic partner and children under eighteen (18) years of age. A Household may be a single family, one (1) individual living alone, two (2) or more families living together, or any other group of related or unrelated individuals who share living arrangements as allowable by this Covenant.

Household Size Adjustment Factor (HAF): means the factor related to the number of individuals in a Household for the purpose of establishing the maximum Annual Household Income of an Affordable Unit, as set forth in the following table:

Household Size	Household Adjustment Factor
1	0.7
2	0.8
3	0.9
4	1
5	1.1
6	1.2

Housing Cost: means the total monthly payments for rent and Utilities for Rental Affordable Units.

HUD: means the United States Department of Housing and Urban Development.

Land Records: means the real property records for the City of Charlottesville located in the Circuit Court for the City of Charlottesville.

Landowner: is identified in the preamble of this Covenant.

Levels of Affordability refers to the Tiers of Affordable Housing defined in terms of AMI. Families earning: between 120 and 80% AMI are considered "moderate-income"; between 80 and 50% AMI, "low-income"; between 50 and 30% AMI, "very low-income" and below 30% AMI, "extremely low-income."

Loan Agreement: means that certain loan agreement by and between PHA and the City to be approved by Ordinance adopted by Charlottesville City Council on _____, including the promise to construct the Affordable Units in accordance with this Covenant.

Market Rate Unit: means each Residential Unit that is not an Affordable Unit.

Maximum Allowable Rent: as defined in Section 4.4.2.

MAXI: is the maximum Annual Household Income of a Household occupying an Affordable Unit as calculated pursuant to Section 4 for Rental Affordable Units.

Maximum Resale Price: is the maximum resale price of a For-Sale Affordable Unit as determined pursuant to procedures established by the Agency.

Maximum Sales Price: as defined in Section 5.1.1, if applicable.

Mortgage: means a mortgage, deed of trust, mortgage deed, or such other classes of instruments as are commonly given to secure a debt under the laws of the City of Charlottesville.

Mortgagee: means the holder of a Mortgage.

Occupancy Standard: means the minimum and maximum number of individuals permitted to occupy any given Affordable Unit, as identified in the following chart:

Affordable Unit Size (Number of Bedrooms)	Minimum Number of Individuals in Affordable Unit	Maximum Number of Individuals in Affordable Unit
Studio/Efficiency	1	1
1	1	2
2	2	4
3	4	6
4	6	8
5	8	10
6	10	12

Occupancy Standard Factor: means the factor related to the assumed number of occupants for the purpose of establishing the Maximum Allowable Rent or Maximum Allowable Sales Price, as applicable, of an Affordable Unit as set forth in the following table:

Size of Affordable Unit	Occupancy Pricing Standard	Occupancy Standard Factor
Efficiency Studio	1	.7
1 Bedroom	2	.8
2 Bedroom	3	.9
3 Bedroom	5	1.1

Over-income Tenant: as defined in Section 4.6.5.

Person: means any individual, corporation, limited liability company, trust, partnership, limited partnership, or other legal entity.

Project: means the structures, landscaping, hardscape and/or site improvements to be constructed or placed on the Property, including a minimum of a total of 86 Rental Affordable Units and For Sale Affordable Units referred to within the definition of "**Affordability Requirement.**" The term "**Project**" includes all phases of the proposed redevelopment of the Property, identified by the City real estate parcel identification numbers 470008000, 470011000, 470007100 (currently assigned the street addresses of 1021 Park Street, 1023 Park Street, 1025 Park Street, Charlottesville, Virginia).

Project Owner: means any person that has an interest in the Property and all of the Project Owner's assignees, transferees, sublessees, subtenants, and successors in interest.

Property: refers to the land described on Exhibit A, incorporated herein by reference, which

includes the real estate identified, as of the date of this Covenant, by the City real estate parcel identification numbers 470008000, 470011000, 470007100 (currently assigned the street addresses of 1021 Park Street, 1023 Park Street, 1025 Park Street, Charlottesville, Virginia).

Qualified Tenant: each means a Household that (i) has an Annual Household Income, as certified by the Certifying Authority, less than or equal to the maximum Annual Household Income for the applicable Affordable Unit at the time of leasing and subsequent lease renewals, (ii) shall occupy the Affordable Unit as its principal residence, (iii) shall not permit exclusive occupancy of the Affordable Unit by any other individual(s), (iv) shall use and occupy the Affordable Unit as an Affordable Unit subject to the Affordability Requirement and this Covenant and (v) shall occupy the Affordable Unit within the Occupancy Standard.

Rental Affordable Unit: means an Affordable Unit that shall be leased to a Qualified Tenant.

Rental Affordable Unit Lease Rider: is that certain lease rider, which is attached to this Covenant as **Exhibit B** and incorporated herein, as the same may be amended from time to time with the written approval of the Agency.

Rental Formula: is defined in Section 4.4.2.

Residential Unit: means a residential dwelling unit constructed within the Project for residential occupancy by one or more individuals who comprise a household.

Sale: is defined in Section 5.1, if applicable.

Utilities: means water, sewer, electricity, and natural gas.

ARTICLE II

AFFORDABILITY REQUIREMENT

2.1 Requirement of Affordability. All of the Affordable Units within the Project shall be constructed and reserved as Rental Affordable Units or For Sale Affordable Units, subject to the Affordability Requirement. The Project shall include a total minimum of 86 Rental Affordable Units or For Sale Affordable Units (“**Required Affordable Units**”). For all purposes of this Covenant, the term “**Affordability Requirement**” means and refers to all of the following:

2.1.1. All Rental Affordable Units are subject to the Affordability Period.

2.1.2. All Rental Affordable Units are subject to the income limitations under subsection (g)(1) and the rent restrictions under subsection (g)(2) of Section 42 of the Internal Revenue Code of 1986, as amended (the “**Code**”).

2.1.3. Rental Affordable Units shall be subject to the following:

(a) No fewer than 66 of the Affordable Units within the Project shall be Rental Affordable Units (“**Required Rental Affordable Units**”). The Required Rental Affordable Units are further subject to all of the following:

(i) no fewer than 32 Required Rental Affordable Units shall be rented to Households with a MAXI of 60% Area Median Gross Income; and

(ii) no fewer than 24 Required Rental Affordable Units shall be rented to Households with a MAXI of 50% Area Median Gross Income; and

(iii) no fewer than 10 Required Rental Affordable Units shall be rented to Households with a MAXI of 30% Area Median Gross Income.

(b) Additional Rental Affordable Units may be provided within the Project.

(c) The provisions of 2.1.3(a) and (b), above, are, unless otherwise provided, subject to subsection (g)(1)(C) of Section 42 of the Code and the federal Average Income Test.

2.2 Affordable Unit Standards and Location.

2.2.1 *Exterior Finishes.* Exterior finishes of Affordable Units will be consistent across tiers of affordability.

2.2.2 *Interior Finishes.* Interior base finishes, appliances and equipment in the Affordable Units shall be similar across tiers of affordability.

2.2.3 *Affordable Unit Location.* As allowed within the parameters of LIHTC compliance guidelines or other federal law, Affordable Units of various tiers shall be dispersed throughout the Project, and shall not be concentrated on any one floor within a building, or within a section of the Project.

2.3 **Marketing Affordable Units.** Project Owner shall create an Affordable Unit Marketing Plan that sets forth its plan for marketing the Affordable Units to Households who may be Qualified Tenants. The Affordable Unit Marketing Plan shall be subject to the Agency’s prior written approval and shall be submitted to and approved by the Agency prior to marketing any Affordable Units for sale or rent. Project Owner may contract with the Certifying Authority to implement the Affordable Unit Marketing Plan.

2.4 **Certifying Authority.** Project Owner shall select a Certifying Authority, which shall be subject to the Agency’s prior written approval, not to be unreasonably withheld, conditioned or delayed. Project Owner may contact the Agency with questions and information about the selection of a Certifying Authority. The Certifying Authority shall review documentation and verify a Household’s Annual Household Income and Household’s size in order to determine whether that Household is a Qualified Tenant. If a Household is determined to be a Qualified Tenant, the Certifying Authority shall issue a Certification of Income for the subject Household.

ARTICLE III

USE

3.1 **Use.** Except as provided herein, all occupants of Rental Affordable Units shall have the same and equal use of all the amenities of the Property and services provided at the Property (except if unique services are required for certain tenants as approved by the Agency). No restrictions, requirements or rules shall be imposed on occupants of Rental Affordable Units at any tier of affordability that are not imposed equally on the tenants of the Rental Affordable Units within other tiers of affordability. If amenities, services, upgrades, or ownership or rental of parking and other facilities are offered as an option to occupants of the Rental Affordable Units at any tier of affordability, such amenities, services, upgrades, or rental of parking and other facilities shall be offered to occupants of the Rental Affordable Units at other tiers of affordability. If there is no cost or fee charged to the occupants of the Rental Affordable Units at one tier of affordability for such amenities, services, upgrades, or rental of parking and other facilities, there shall not be a cost or fee charged to occupants of Rental Affordable Units at other tiers of affordability.

3.2 **Demolition/Alteration.** Subject to normal wear and tear, Project Owner shall maintain, upkeep, repair and replace interior components (including fixtures, appliances, flooring and cabinetry) of each Rental Affordable Unit with interior components of equal or better quality than those interior components being replaced.

ARTICLE IV

RENTAL OF AFFORDABLE UNITS

4.1 **Lease of Rental Affordable Units.** Project Owner shall reserve, maintain and lease the Rental Affordable Units to Qualified Tenants (a) in accordance with this Covenant, and (b) at a rate paid by the Qualified Tenant at or below the Maximum Allowable Rent.

4.2 **Rental Affordable Unit Lease Requirements.**

4.2.1 *Form of Lease.* To lease a Rental Affordable Unit to a Qualified Tenant, the Project Owner shall use a lease agreement to which is attached and incorporated a Rental Affordable Unit Lease Rider, as may be amended from time to time. The Rental Affordable Unit Lease Rider shall be executed by the Project Owner and each Qualified Tenant prior to the Qualified Tenant's occupancy of the Rental Affordable Unit. Any occupant of the Rental Affordable Unit who is eighteen (18) years or older shall be a party to the lease agreement and shall execute the Rental Affordable Unit Lease Rider.

4.2.2 *Effectiveness of Lease.* The lease of a Rental Affordable Unit shall only be effective if a Rental Affordable Lease Rider, a Certification of Income and a Certificate of Tenant Eligibility are attached as exhibits to the lease agreement. Failure to attach the foregoing shall render the lease null and void *ab initio*.

4.2.3 *Requirement to Maintain Copies of Leases of Rental Affordable Units.* Project Owner shall maintain or cause to be maintained copies of all initial and renewed leases executed with Qualified Tenants for a period of no less than five (5) years from the expiration or termination of such lease.

4.3 **Rental Affordable Unit Admissions Process.**

4.3.1 *Referrals.* Project Owner may obtain referrals of prospective tenants of Rental Affordable Units from federal and City of Charlottesville agencies, provided such referrals comply with the requirements of this Covenant, Fair Housing laws, and the requirement that units be generally available to the public. In all events, before a prospective tenant leases a Rental Affordable Unit, their Annual Household Income shall be verified by a Certifying Authority.

4.3.2 *Consideration of Applicants.* For the initial occupancy of the Rental Affordable Units, Project Owner shall select Qualified Tenants through a first-come, first-served system, or other system approved by the Agency, as shall be further provided in the Affordable Unit Marketing Plan. Following the initial occupancy of the Affordable Units, Project Owner shall consider each applicant in the order in which received, whether received pursuant to the Affordable Unit Marketing Plan or referred pursuant to Section 4.3.1. Tenants of Rental Affordable Units participating in the Project-Based Section 8 Program shall be selected in accordance with requirements of that federal program. Any and all of the foregoing shall be consistent with federal Fair Housing laws and regulations and any units financed under the Code (tax credit or tax exempt bond financed projects) must be generally available to the public.

4.3.3 *Rejection of Applicants.* In connection with the leasing of a Rental Affordable Unit, Project Owner may reject any applicant if, after diligent review of such applicant's application, Project Owner determines in good faith that such applicant does not meet criteria to lease or occupy a Rental Affordable Unit, provided such criteria do not violate applicable City of Charlottesville and federal laws and is the same criteria used to lease or occupy the Market-Rate Units. In the event any rejected applicant raises an objection or challenges Project Owner's rejection of such applicant, the Project Owner shall be solely responsible for ensuring that it's rejection of such applicant is not in violation of federal or local law. Project Owner shall provide the Agency with all documents evidencing Project Owner's review and rejection of an applicant, upon the request of the Agency.

4.3.4 *Determination of Eligibility.* Each tenant seeking to occupy a Rental Affordable Unit shall have its Annual Household Income verified by and obtain a Certification of Income from the Certifying Authority prior to leasing such unit. Housing Choice Vouchers (or vouchers from similar programs) shall be an acceptable source of verifiable household income, for the Rental Affordable Units other than those which are part of the Project-Based Section 8 Program.

4.4 **Initial Rental Affordable Unit Lease Terms.**

4.4.1 *Term.* The term of any new Rental Affordable Unit lease agreement shall be for a period of one (1) year.

4.4.2 *Establishment of Maximum Rent—Rental Formula.* Rents on Rental Affordable Units shall be rent restricted. Maximum Allowable Rent paid by the Tenant for the first lease year shall be based on the number of bedrooms and AMI as established annually by HUD. If a household pays for utilities, the maximum rent must be adjusted by the applicable utility allowance.

4.5 **Income Determinations.** The Annual Household Income for a prospective tenant of a Rental Affordable Unit shall be determined as of the date of the lease or lease renewals for such Rental Affordable Unit annually. A Household's income eligibility to rent a Rental Affordable Unit is determined by calculating the MAXI for a Household occupying the Rental Affordable Unit. The Certifying Authority shall verify that the Household's Annual Household Income is not more than the applicable MAXI.

4.5.1 *Maximum Annual Household Income.* The MAXI is determined through AMI as established annually by HUD, and as specified in Section 2.1, above.

4.6 **Subsequent Lease Years**

4.6.1 *Use of Rental Formula.* For each lease year after the first lease year, Maximum Allowable Rent shall be determined in the same manner specified within Section 4.4.2, above.

4.6.2 *Renewal by Tenants of Affordable Units.* For each tenant of a Rental Affordable Unit who intends to renew its residential lease, no earlier than ninety (90) days and no later than thirty (30) days before each anniversary of the first day of a residential lease, Project Owner shall obtain the following: (i) a Certification of Residency from each such tenant; and (ii) a Certification of Income completed by the Certifying Authority. Project Owner shall not permit a renewal of a lease for a Rental Affordable Unit unless the tenant has provided the documents as required herein and the tenant is determined to be a Qualified Tenant. If the tenant fails to provide such documents, Project Owner shall treat such tenant as an Over-Income Tenant and charge market-rate rent, and Project Owner shall designate another unit as a Rental Affordable Unit in accordance with Section 4.6.6. The foregoing Certifications and requirements to be a continuing Qualified Tenant shall be as provided in Section 42 of the Code for any period when the requirements of the Low-Income Housing Tax Credits and the Extended Use Agreement are binding on the Parcel.

4.6.3 *Annual Recertification of Tenants.* Upon receipt of renewal documents from the tenant of a Rental Affordable Unit at the time of recertification, Certifying Authority shall determine the tenant's household income eligibility pursuant to Section 4.5 for the subject Rental Affordable Unit and notify the tenant of the same within fifteen (15) days prior to the expiration of the then-current lease term. Any tenant whose Annual Household Income remains at or below the MAXI for the subject Rental Affordable Unit will be eligible to remain in the Rental Affordable Unit and to renew his/her lease at the then-current lease rate for the particular Rental Affordable Unit. The foregoing Certifications and requirements to be a continuing Qualified Tenant shall be as provided in Section 42 of the Code for any period when the requirements of the Low-Income Housing Tax Credits and the Extended Use Agreement are binding on the Parcel.

4.6.4 *Annual Recertification of Under Income Tenants.* Upon annual recertification, any tenant whose Annual Household Income remains at or below the MAXI for the subject Rental Affordable Unit may elect either to (i) remain in the Rental Affordable Unit up to the then-current Maximum Allowable Rent for the subject Rental Affordable Unit or (ii) vacate the Rental Affordable Unit at the end of the tenant's lease term.

4.6.5 *Annual Recertification of Over-Income Tenants.* Upon annual recertification, if a tenant's Annual Household Income is determined to exceed the MAXI for the subject Rental Affordable Unit (such tenant, an "**Over-Income Tenant**"), then the Over-Income Tenant may elect to remain in the Rental Affordable Unit and pay the rent applicable to (a) a higher Designated Affordability Level, if a higher Designated Affordability Level exists for the Property, for which the Over-Income Tenant's Annual Household Income qualifies, whereupon Project Owner shall change the Designated Affordability Level of the Rental Affordable Unit to the higher Designated Affordability Level pursuant to Section 4.6.6, or (b) a like-sized Market-Rate Unit, if the Over-Income Tenant's Annual Household Income does not qualify for a higher Designated Affordability Level, but qualifies for a like-sized Market-Rate Unit, whereupon Project Owner shall designate a Market-Rate Unit as a Rental Affordable Unit pursuant to Section 4.6.6.

4.6.6 *Changes to Unit Location.* If applicable, Project Owner may change the designation of a Rental Affordable Unit to a new Designated Affordability Level or to a Market-Rate Unit as necessary to allow an Over-Income Tenant to remain in the unit (i.e., to accommodate an existing tenant). Following any change in designation of a Rental Affordable Unit to a higher Designated Affordability Level or to a Market-Rate Unit of similar size and location in the property to the lower Designated Affordability Level from which the original Rental Affordable Unit had been changed in order to bring the Parcel in conformity with the Affordability Requirement.

4.6.7 *Rent from Subsidies.* Nothing herein shall be construed to prevent Project Owner from collecting rental subsidy or rental-related payments from any federal, state, or City of Charlottesville agency paid to Project Owner and/or the tenant of a Rental Affordable Unit, to the extent receipt of such payment is otherwise in compliance with the requirements of this Covenant. Such rental subsidy or rental-related payment shall not be included in determining Maximum Allowable Rent or the income of an otherwise Qualified Tenant, all as provided in the Code.

4.7 **No Subleasing of Rental Affordable Units.** The tenant of a Rental Affordable Unit may not sublease any portion of its Rental Affordable Unit or assign its lease to any other Household, and Project Owner shall not knowingly allow such Rental Affordable Unit to be subleased, except with the Agency's prior written consent, in the Agency's sole and absolute discretion. No Rental Affordable Unit may be offered or used for any short-term rental or other transient occupancy.

4.8 **Representations of Affordable Unit Tenant.** By execution of a lease the tenant of a Rental Affordable Unit shall be deemed to represent and warrant to the Agency and Project Owner, each of whom may rely thereon, that the tenant's household meets, and will continue to meet, all eligibility requirements contained in this Covenant for a Qualified Tenant of a Rental Affordable Unit.

4.9 Representations of Project Owner. By execution of a lease for a Rental Affordable Unit, Project Owner shall be deemed to represent and warrant to the Agency, which may rely on the following, that: (i) the Household is determined to be a Qualified Tenant by the Certifying Authority, and (ii) Project Owner is not collecting more than the Maximum Allowable Rent from the Tenant.

4.10 Annual Reporting Requirements. Beginning in the first year that any Rental Affordable Unit is occupied by a tenant, Project Owner shall provide an annual report (“Annual Report”) to the Agency regarding the Rental Affordable Units, which shall be submitted on each anniversary date of the Effective Date of this Covenant. The Annual Report shall include the following:

- (a) the number and identification of Project Owner’s Rental Affordable Units, by bedroom count, that are occupied;
- (b) the number and identification of Project Owner’s Rental Affordable Units, by bedroom count, that are vacant;
- (c) for each Rental Affordable Unit that is vacant or that was vacant for a portion of the reporting period, the manner in which the Rental Affordable Unit became vacant (e.g. eviction or voluntary departure), the length of vacancy, and the progress in re-leasing that unit;
- (d) for each occupied Rental Affordable Unit, the names, ages and ethnicity of all persons in the Qualified Tenant’s Household, the Household size, date of initial occupancy, and total Annual Household Income as of the date of the most recent Certification of Income;
- (e) a sworn statement that, to the best of Project Owner’s information and knowledge, the Household occupying each Affordable Rental Unit meets the eligibility criteria of this Covenant for a Qualified Tenant;
- (f) a copy of each new or revised Certification of Income for each Household renting a Rental Affordable Unit;
- (g) a copy of each new or revised Certification of Residency for each Household renting a Rental Affordable Unit;
- (h) a copy of each inspection report and Certification of Inspection for each Rental Affordable Unit; and
- (i) a copy of all forms, policies, procedures, and other documents reasonably requested by the Agency related to the Rental Affordable Units.

The Annual reports shall be retained by Project Owner for a minimum of five (5) years after submission and shall be available, upon reasonable notice, for inspection by the Agency or its designee.

Notwithstanding anything contained herein to the contrary, in the event that Project Owner provides a report to an agency within the City government with content substantially similar to the content of the Annual Reports described in this section, subject to the Agency’s prior written approval, then the reporting requirements under this section shall be satisfied upon Project Owner’s delivery of such report

to the Agency. The Agency may request Project Owner to provide additional information in support of its Annual Report, as necessary for the Project Owner to verify compliance with the requirements of this Covenant.

4.11 Confidentiality. Except as may be required by applicable law, including, without limitation, the Virginia Freedom of Information Act, Project Owner, the Certifying Authority and the Agency shall not disclose to third parties, other than Project Owner's Investor Member, the personal information of the Households, including the identity of the members of the Households, submitted as a part of the Annual Report.

4.12 Inspection Rights. The Agency or its designee shall have the right to inspect the Rental Affordable Units, upon reasonable advance notice to the Project Owner and during normal business hours as provided in the Leases and each Owner shall include notice of the Agency's right of inspection within all Leases of the Rental Affordable Units. If Project Owner receives such notice, Project Owner shall, in turn, give reasonable advance notice of the inspection to the tenant(s) occupying the specific Rental Affordable Unit(s). The Agency or its designee shall have the right to inspect a random sampling of the Rental Affordable Units to confirm that the units are in compliance with applicable statutory and regulatory housing requirements and the provisions of this Covenant. The Agency or its designee shall have the right to conduct audits of a random sampling of the Rental Affordable Units and associated files and documentation to confirm compliance with the requirements of this Covenant.

4.13 Option to Lease. Following the expiration of any Extended Use Agreement binding on the Property in connection with the allocation of any Low Income Housing Tax Credits, pursuant to Section 42 of the Code, including any extension period thereof, the City shall have the exclusive right to lease up to twenty percent (20%) of the Rental Affordable Units for a term of forty (40) years at a rental rate not to exceed that which would be payable by a household of four persons having an income of 80% AMI.

ARTICLE V

[RESERVED]

ARTICLE VI

DEFAULT; ENFORCEMENT AND REMEDIES

6.1 Default; Remedies. In the event Project Owner defaults under any term of this Covenant, and Project Owner does not cure such default within sixty (60) days following written notice of such default from the Agency, the City shall have the right to seek specific performance, injunctive relief or other equitable remedies, including compelling the re-sale or leasing of an Affordable Unit and the disgorgement of rents and sale proceeds in excess of the rental rates and sale prices permitted hereunder, for any default(s). In the event such cure cannot reasonably be affected within the 60-day period, the Project Owner may request such additional time as may reasonably be necessary to cure such default provided the Project Owner has promptly initiated and diligently pursued such cure. Project Owner shall give notice of any such default to Project Owner's investment member, and any cure provided by such investor member shall be acceptable to the City as if rendered by Project Owner directly.

If Project Owner is in default under the terms of the Covenant, prior to exercising any remedies thereunder, the City shall provide simultaneous written notice of such default to Project Owner's investor member (the "**Investor Member**") if Project Owner or Investor Member has kept the City informed of the name and contact information for the Investor Member. Investor Member shall have the independent right to cure any defaults within the time periods set forth above. City hereby agrees that any cure of any default made or tendered by the Investor Member shall be (i) deemed to be a cure by Project Owner, and (ii) accepted or rejected on the same basis as if made or tendered by Project Owner.

6.2 Right to Attorney's Fees. In any legal action to enforce this Covenant, the non-prevailing party shall pay the prevailing party's reasonable attorney fees and litigation costs incurred in connection with the prevailing party's efforts to enforce this Covenant. If the Charlottesville City Attorney's Office (CAO) serves as counsel for the City in such legal action, the reasonable attorney fees for the City shall be calculated based on the then applicable hourly rates prevailing within private practice within the City of Charlottesville, Virginia, and the number of hours that employees of the CAO prepare for or participated in any such action.

ARTICLE VII

COVENANT BINDING ON SUCCESSORS AND ASSIGNS

This Covenant is and shall be binding upon the Property and shall run with the land and any interest therein as of the Effective Date through the Affordability Period. The rights and obligations of City and Project Owner shall be binding upon and inure to the benefit of the said parties and their respective heirs, successors, and assigns; provided however that all rights of City pertaining to the monitoring and/or enforcement of the obligations of Project Owner shall be retained by City, or such designee of the City as the City may so determine. No sale, transfer or foreclosure shall affect the validity of this Covenant, except as otherwise expressly provided within this Covenant.

ARTICLE VIII

[RESERVED]

ARTICLE IX

AMENDMENT OF COVENANT

Except as otherwise provided herein, neither this Covenant, nor any part hereof, can be amended, modified or released, unless such amendment, modification or release is set forth within a written instrument executed by a duly authorized official of the Agency on behalf of the City, and by a duly authorized representative of a Project Owner and recorded in the Land Records. Any amendment to this Covenant that alters the terms and conditions set forth herein shall be recorded among the Land Records before it shall be deemed effective.

ARTICLE X

AFFORDABILITY PERIOD

10.1. All Affordable Units in The Project shall be and remain Affordable in accordance with the terms of this Covenant for **a period of ninety-nine (99) years (the “Affordability Period”)**. The Affordability Period for each Rental Affordable Unit shall commence upon the issuance of a certificate of occupancy by the City’s Building Code Official for that unit and shall continue for a period of ninety-nine (99) years thereafter. Notwithstanding the foregoing, this Covenant may be released and extinguished upon the written approval of the Agency, in its sole and absolute discretion.

10.2. Notwithstanding the foregoing, in the event the Project, or the Project Owner’s interest in the Property, is foreclosed upon by an institutional or governmental lender following foreclosure by, or deed in lieu of foreclosure to a Mortgagee in a superior position, or a Mortgage in a superior position is assigned to the Secretary of HUD, the terms of this Covenant applicable to such unit shall automatically terminate subject to Sections 10.3.

10.3. Notwithstanding the foregoing Section 10.2, if Virginia Housing is first lienholder and senior lender, and Virginia Housing is the successful bidder at foreclosure and becomes the successor in interest, then the income, rent or use restrictions required by this Covenant shall terminate, except: (i) twenty percent (20%) of the units within the Project must remain at sixty percent (60%) of area median income following such a foreclosure, and (ii) Virginia Housing must permit additional units at 60% AMI to survive such a foreclosure, provided that Virginia Housing determines, in its sole discretion, that the development will achieve a targeted debt service coverage rate (DCSR) of at least 1.25 while subject to such additional set-aside. The City Manager, with the approval of the City Attorney’s Office, shall have authority to renegotiate income, rent and use restrictions required by this Covenant, and to enter into a binding amendment of this Covenant without the requirement for City Council approval, if necessary to

facilitate PHA's receipt of financing from Virginia Housing, provided that the renegotiated terms are no less than those Virginia Housing itself requires in its own Lending Policy.

ARTICLE XI

NOTICES

11.1 Any notices given under this Covenant shall be in writing and delivered by United States mail (return receipt requested, postage pre-paid), delivered by hand, or delivered by private overnight commercial courier service to the applicable Person at the addresses specified in this Article, or to such other persons or locations as may be designated in writing by the City or the Project Owner from time to time. All notices to be sent to the City shall be sent to the following address:

CITY: Charlottesville City Manager
 P.O. Box 911, Charlottesville, Virginia 22902

With a copy to: Charlottesville City Attorney
P.O. Box 911, Charlottesville, Virginia 22902

11.2 All notices to be given to Project Owner shall be given by mail or delivery to:

Piedmont Housing Alliance
682 Berkmar Circle
Charlottesville, Virginia, 22901
Attention: Executive Director

With a copy to:
Klein Hornig, LLP
1325 G Street NW, Suite 770
Washington, D.C., 20005
Attention:

And to the Project Owner's Investor Member, given by mail or delivery to:

[PHA to provide information when available]

All notices to be given to the tenant of a Rental Affordable Unit shall be sent to the unit number referenced in its lease. It shall be the responsibility of the applicable person and any successor to give written notice to the City of its mailing and delivery addresses. The failure of the applicable person to keep the City apprised in writing of its mailing and delivery address(es) shall constitute a default under this Covenant.

11.3 Notices shall be deemed delivered as follows: (i) if hand-delivered, then on the date of delivery or refusal thereof; (ii) if by overnight courier service, then on the next business day after deposit with the overnight courier service; and (ii) if by certified mail (return receipt requested, postage pre-paid), then

on the date of actual delivery or refusal thereof.

ARTICLE XII

MISCELLANEOUS

12.1 Applicable Law; Venue. This Covenant shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the Commonwealth of Virginia, without reference to the conflicts of laws provisions thereof. Each of the parties whose signatures are affixed to this Covenant irrevocably agrees on behalf of itself and each of its heirs, successors in interest and assigns, to submit to the jurisdiction of the Circuit Court for the City of Charlottesville, Virginia for the purposes of any suit, action or other proceeding arising out of this Covenant or any transaction contemplated hereby. Each of the parties whose signatures are affixed to this Covenant, on behalf of itself and each of its heirs, successors in interest and assigns, irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Covenant or the transactions contemplated hereby in the Circuit Court of the City of Charlottesville and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

12.2 Counterparts. This Covenant may be executed in any number of counterparts, each of which shall be an original but all of which shall together constitute one and the same instrument.

12.3 Time of performance. All dates for performance (including cure of any default) shall expire at 5:00 p.m. (Eastern Time) on the performance or cure date. A performance date which falls on a Saturday, Sunday or City holiday is automatically extended to the next Business Day.

12.4 Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LAW, ALL PARTIES HERETO WAIVE THE RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY LITIGATION ARISING IN RESPECT OF THIS COVENANT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

12.5 Further Assurances. Each party agrees to execute and deliver to the other party such additional documents and instruments as the other party may request in order to fully carry out the purposes and intent of this Covenant; provided that such additional documents and instruments do not materially increase the obligations or burdens upon the second party.

12.6 Severability. If any provision of this Covenant is held to be unenforceable or illegal for any reason, said provision shall be severed from all other provisions; all other provisions shall be and remain in effect without reference to the unenforceable or illegal provision.

12.7 Limitation on Liability. Provided that Project Owner has exercised due diligence in the performance of its obligations and duties herein, Project Owner shall not be liable in the event a Household submits falsified documentation, commits fraud, or breaches any representation or warranty contained in this Covenant. Notwithstanding the foregoing, Project Owner shall be liable if Project Owner has knowledge, or should have knowledge, that a Household submitted falsified documentation, committed fraud, or breached any representation or warranty contained in this Covenant.

12.8 **Agency Limitation on Liability.** Any review or approval by the City or the Agency shall not be deemed to be an approval, warranty, or other certification by the City or the Agency as to compliance of such submissions, the Project, any Affordable Unit or the Property with any building codes, regulations, standards, laws, or any other requirements contained in this Covenant, or any other covenant granted in favor of the city that is filed among the Land Records or otherwise contractually required. The City shall incur no liability in connection with the Agency's review of any submissions required under this Covenant as its review is solely for the purpose of protecting the City's interest under this Covenant.

12.9 **No Third Party Beneficiary.** Except as expressly set forth in this Covenant, there are no intended third party beneficiaries of this Covenant, and no Person other than City shall have standing to bring an action for breach of or to enforce the provisions of this Covenant.

12.10 **Non-Waiver.** The failure of any party to this Covenant to enforce any rights, reservations, restrictions, easements or conditions contained in this Covenant, regardless of how long such failure shall continue, shall not constitute a waiver of or bar of such right to enforcement. The remedies granted hereunder are cumulative, and the exercise of any one or more shall not be deemed an election of remedies or waiver of the right to pursue other remedies.

12.11 **Representations of Project Owner.** As of the date hereof, Project Owner hereby represents and warrants to City as follows:

- (a) This Covenant has been duly executed and delivered by Project Owner and Landowner, and constitutes the legal, valid and binding obligation of said persons, enforceable against said persons, and their heirs, successors and assigns; and
- (b) Neither the entering into of this Covenant nor performance hereunder will constitute or result in a violation or breach by Project Owner of any agreement or order which is binding on Project Owner; and
- (c) The Project Owner (i) is duly organized, validly existing and in good standing under the laws of its state of jurisdiction and is qualified to do business and is in good standing under the laws of the Commonwealth of Virginia and the City of Charlottesville; (ii) is authorized to perform under this Covenant; and (iii) has all necessary power and authority to execute and deliver this Covenant.

12.12 **Federal Affordability Restrictions.** In the event the Parcel is encumbered by other affordability restrictions ("**Federal Affordability Restrictions**") as a result of federal funding or the issuance of Low-Income Housing Tax Credits for the Project, it is expressly understood that, to the extent, if any, that such Federal Affordability restrictions, requirements, and provisions conflict with any provision(s) of this Covenant, then in the event the conflicting provision(s) in this Covenant would cause a default of or finding of non-compliance with the Federal Affordability Restrictions during the compliance period for the Federal Affordability Restrictions, then the requirements of the Federal Affordability Restrictions shall control to the extent of the conflict. In all other instances, the requirements of this Covenant shall control.

12.13 Division of the Property. PHA shall have the right to subdivide the Property as required for the development of the Project.

IN WITNESS WHEREOF, the parties hereto have executed this Declaration of Affordable Housing Covenants as of the day and year first above written.

PROJECT OWNER:

By: 1025-A Park Street LLC
a Virginia limited liability company,
its general partner

By: _____
Name: Sunshine Mathon
Title: Designated Representative

By: 1025-B Park Street LLC
a Virginia limited liability company,
its general partner

By: _____
Name: Sunshine Mathon
Title: Designated Representative

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF _____)

On _____, 2026, before me, the undersigned, a notary public in and for said state, personally appeared Sunshine Mathon, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as Designated Representative of _____, the general partner of _____, and that by his signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public

Commission expires: _____

Registration No.: _____

EXHIBIT A
TO DECLARATION OF AFFORDABLE HOUSING COVENANTS

Legal Description of Rental Property

All that those certain lots or parcels of land, together with all improvements thereon and rights and appurtenance thereto, located in the City of Charlottesville, Virginia, shown as "Lot E1" and "Lot F1" on a plat entitled "PLAT SHOWING MAJOR SUBDIVISION KNOWN AS MACAA REDEVELOPMENT AND BEING CITY PIDS 470007100, 470008000, & 470011000 IN THE CITY OF CHARLOTTESVILLE, VIRGINIA" prepared by Timmons Group, dated December 22, 2023, last revised October 25, 2024, and recorded with a deed in the Clerk's Office of the Circuit Court of the City of Charlottesville, Virginia, as Instrument No. 202400003048;

BEING a portion of the same real estate conveyed to Monticello Area Community Action Agency, a Virginia nonstock corporation, by the following instruments: (a) deed from Charlottesville-Albemarle YMCA Inc., a Virginia non-stock corporation, and Christine C. Chapman, Substitute Trustee under Agreement dated April 10, 1989, creating The McIntire Land Trust, dated May 19, 1993, recorded June 10, 1993 in the Clerk's Office, Circuit Court, Charlottesville, Virginia in Deed Book 604, Page 568; (b) deed from Rebecca W. West dated November 22, 2016, recorded December 2, 2016 in said Clerk's Office as Instrument No. 201600004608; and (c) from 1023 Park Street, LLC, a Virginia limited liability company, by a Deed of Gift of Boundary Line Adjustment dated December 18, 2024, recorded December 19, 2024, in said Clerk's Office as Instrument No. 202400003048.

EXHIBIT B
TO THE DECLARATION OF AFFORDABLE HOUSING COVENANTS

Rental Affordable Unit Lease Rider

This Affordable Unit Lease Rider (“Rider”) is attached to and incorporated into the lease dated (“Lease”) between _____ (“Resident” or “You”) and _____, as Management Agent (“Manager”) for _____ (“Owner”) for Apartment _____ (“Premises”). All capitalized terms not defined in this Rider shall have the meaning provided in the Affordable Housing Covenant (as defined below).

In consideration of the mutual covenants set forth in the Lease and below, you agree that your use and possession of the Premises is subject to the terms and conditions set forth in the Lease and the following terms and conditions, which are in addition to and supplement the Lease:

AFFORDABLE UNIT: Resident acknowledges that the Premises is subject to that certain Declaration of Affordable Housing Covenant between Owner and the City of Charlottesville dated _____, 2024, as may be subsequently amended, (the “Affordable Housing Covenant”). The Premises is currently designated as an Affordable Unit, which requires the Resident’s household income to be less than or equal to [_____] of the area median income (AMI).

DEFINED TERMS: Those terms not specifically defined herein shall be assigned the definition provided in the Affordable Housing Covenant.

ELIGIBILITY: In order for you, as resident, to be eligible to rent an Affordable Unit, you must be and remain an “Affordable Unit Tenant” as defined in the Affordable Housing Covenant.

INCOME CERTIFICATION/INCOME RECERTIFICATION: No more than ninety (90) days and no less than forty-five (45) days before each anniversary of the first day of the lease (or at the City’s option, every two years after the first day of the Lease) the Manager shall request that the Resident provide the Certifying Authority with the following:

- (i) an executed Certification of residency that states that Resident occupies the Premises as his/her/their principal residence,
- (ii) all information pertaining to the Resident’s household composition and income for all household members,
- (iii) a release authorizing third party sources to provide relevant information regarding the Resident’s eligibility for the Affordable Unit, as well as how to contact such sources, and
- (iv) any other reasonable and customary representations, information or documents requested by the Certifying Authority.

Resident shall submit the foregoing listed documentation to the Certifying Authority within fifteen (15) days of Manager’s request. Within ten (10) days of Certifying Authority’s receipt of the foregoing documentation and based on the results of the annual income recertification review, Certifying Authority will determine whether the Resident remains income eligible for the Premises and notify the Resident of his or her household’s AMI percentage, and (a) if the Resident is no longer income eligible for the

Premise, the income category for which the Resident is income eligible to lease a unit in the apartment community, or (b) if the Resident is income eligible for the Premises, provide a Certification of Income completed by the Certifying Authority, verifying that the income of the Resident meets income eligibility for the Premises.

Upon annual recertification, if the Resident remains income eligible for the Premises, the Resident will be eligible to remain in the Premises and to renew his/her lease at the then-current lease rate for the Premises. If the Resident's Annual Household Income is determined to exceed the Maximum Annual Household Income applicable to the Premises, then the Resident may remain in the Premises and pay the rent applicable to an Affordable Unit at a higher affordability level for which the Resident's Annual Household Income qualifies. If the Resident's Annual Household is determined to exceed the Maximum Annual Income for the Affordable Unit with the highest AMI level in the Parcel, then the Owner may allow the Resident to remain in the Premises and to pay the applicable market-rate rent for the Premises.

Manager will notify Resident of all options (i.e., an Affordable Unit at a different AMI category or a market rate unit) for which Resident is income eligible prior to the expiration of the Resident's lease term. Prior to the expiration of the Resident's lease term, the Resident shall notify Manager in writing of the Resident's election to either (i) remain in the Premises and pay the rental rate applicable to the Resident's then current AMI category if the Resident's Annual Household Income is at or below the established AMI categories of [] AMI or [] AMI, (ii) remain in the Premises paying the market rate rent for that unit if the Resident's then current income is above the highest AMI level, or (iii) vacate the Premises at the end of the Resident's Lease term. Resident's failure to notify Manager of Resident's election prior to the expiration of the lease term will be deemed by Manager as Resident's election to vacate the Premises.

In the event that Resident fails to pay the applicable rental rate or vacate the Premises upon expiration of the lease term, Manager shall pursue an action for eviction of Resident. Resident's agreement to pay the applicable rental rate or vacate was a condition precedent to Manager's initial acceptance of Resident's eligibility and Manager has relied on Resident's agreement. Resident acknowledges and agrees that the criteria to be income eligible to occupy the Premises is and serves as a City policy and objective, and that failure to vacate the Premises or pay the applicable rental rate is both a default under the Lease and in violation of the Affordable Housing Covenant.

PROHIBITION ON SUBLETS AND ASSIGNMENTS: Resident may not sublease any portion of the Premises or assign its lease to any other person, except with the prior written consent of the Agency, in its sole and absolute discretion.

LEASE EFFECTIVE: The Lease of the Premises shall only be effective if this executed Rider, a Certification of Income, a Certificate of Tenant Eligibility (for initial lease term), and a Certificate of Residency (for lease renewals) are attached as exhibits to the lease agreement.

Resident Signature

Date

Resident Signature

Date

Resident Signature

Date

Prepared by and Return to:
Piedmont Housing Alliance
682 Berkmar Circle
Charlottesville, Virginia 22901

Re: City of Charlottesville Real Estate Parcel Id. No. _____

DECLARATION
OF AFFORDABLE HOUSING COVENANTS
(HOME OWNERSHIP)

THIS DECLARATION OF AFFORDABLE HOUSING COVENANTS

(**HOME OWNERSHIP**) (hereinafter, “**Covenant**”) is made as of the _____ day of _____, 2026 (“**Effective Date**”), by GREATER CHARLOTTESVILLE HABITAT FOR HUMANITY, INC. (“**Homeownership Project Owner**”, and sometimes referred to herein as the “**Landowner**,” or “**Habitat**”), having an address of 967 2nd Street SE, Charlottesville, Virginia 22902, for the benefit of the CITY OF CHARLOTTESVILLE, a municipal corporation, 605 East Main Street, City Hall, Charlottesville, Virginia, 22902 (the “**City**”).

RECITALS

R-1. Landowner is the fee simple owner of certain real property located in the City of Charlottesville as further described in **Exhibit A** (the “**Property**”) attached to this Covenant, which Property will include the development of For Sale Affordable Units, as further defined below (the “**Project**”).

R-2. To further the public purpose of increasing the affordable homeownership housing stock within the City of Charlottesville and, in particular, on the Property, the City is willing to loan certain public funding to Piedmont Housing Alliance (“**PHA**”), in accordance with the provisions of Virginia Code §15.2-958 to facilitate the development of the Project.

R-3. The City and Homeownership Project Owner desire to set forth herein the terms, restrictions and conditions upon which Homeownership Project Owner will construct, maintain, and sell the For Sale Affordable Units within the Project.

R-4. By Ordinance adopted on _____, the City agreed to loan public funding pursuant to the provisions of Va. Code §15.2-958, to subsidize construction of streets, utilities and other site

improvements essential to the Project and to support the production of new units of residential rental and for-sale property within the Project, to be occupied following construction by Households of low and moderate income. The City's adoption of the City Ordinance was induced by PHA's representation that certain residential units within the Project will, at Project buildout, be Affordable Units.

R-5. The City, Homeownership Project Owner and Project Owner mutually acknowledge the value of assistance provided by the City and the value of the considerations rendered by the Project Owner and Homeownership Project Owner in maintaining the dwelling units at reduced costs for Households of low and moderate income.

R-6. This Covenant pertains to For Sale Affordable Units and Homeownership Project Owner agrees that all units on the Property will be For Sale Affordable Units and that Homeownership Project Owner will not lease any units except as otherwise permitted in this Covenant.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties hereby declare, covenant and agree as follows, with respect to the Property described within Exhibit A to this Covenant:

ARTICLE I

DEFINITIONS

For the purposes of this Covenant, the capitalized terms used herein shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as, the singular.

Affordability Period (Homeownership): is thirty (30) years, calculated as set forth within Article X.1.

Affordability Requirement: has the meaning given in Section 2.1

Affordable Unit: means a residential dwelling unit for occupancy by a Qualified Purchaser which housing will be used to satisfy the Affordability Requirement.

Affordable Unit Marketing Plan: means Homeownership Project Owners' plan(s) for marketing the sale of the For Sale Affordable Units, as approved by the Agency pursuant to Section 2.3.

Affordable Unit Owner: means a Qualified Purchaser who own(s) a For Sale Affordable Unit.

Agency: means the Office of the Charlottesville City Manager, and any successor department whose mission includes administration of the City's Affordable Housing Program.

Area Median Income or AMI: means median family income limits for the City of Charlottesville, Virginia, established and adjusted by the U.S. Department of Housing and Urban Development (HUD) annually by household size.

Annual Household Income: means the aggregate annual income of a Household as determined by using the standards set forth in 24 CFR § 5.609, as may be amended, or as otherwise set forth by the Agency.

Annual Report: has the meaning given in Section 5.8.

Business Day means Monday through Friday, inclusive, other than holidays recognized by the City of Charlottesville government.

CAO means the Office of the City Attorney for the City of Charlottesville, Virginia.

Certificate of Occupant Eligibility means a certification by a Household at its initial occupancy of an Affordable Unit, in a form approved by the Agency, that shall be given to the Agency, Landowner, and the Certifying Authority, representing and warranting the following: (a) the Household is a Qualified Purchaser or occupant and has disclosed all of its Annual Household Income to the Certifying Authority, (b) the Household's Annual Household Income is at or below the maximum Annual Household Income for the applicable Affordable Unit, (c) the Household has been informed of its rights and obligations under this Covenant, (d) the Household intends to occupy the Affordable Unit as its principal residence, (e) that the Household size is within the Occupancy Standard for the Affordable Unit, and (f) any other reasonable and customary representations requested by the Agency.

Certification of Income: means a certification made by a Certifying Authority that verifies the Annual Household Income of a Qualified Purchaser meets the designated Level of Affordability for an applicable Affordable Unit and meets the requirements of Section 5 in such form as the Agency approves.

Certification of Inspection: means a certification by Homeownership Project Owner that it has performed or caused to be performed an inspection of an Affordable Unit and that, to the best of Landowner's knowledge, such For Sale Affordable Unit is in compliance with all applicable statutory and regulatory requirements, in such form as the Agency approves.

Certification of Residency: means a certification made by an Affordable Unit occupant that states that the Affordable Unit Occupant or Affordable Unit Owner occupies the Affordable Unit as its principal residence, in such form as the Agency approves.

Certifying Authority: means PHA, Habitat or any other entity or entities approved by the Agency pursuant to Section 2.4.

City Ordinance: means that certain ordinance adopted by the Charlottesville City Council on _____, pursuant to Virginia Code §15.2-958, and any amendments made thereto, to approve and establish guidelines for the production of new housing for persons of low and moderate income within the Project and to assure that such housing will be occupied following construction by low and moderate income persons throughout the Affordability Period.

Code: means the Internal Revenue Code of 1986, as amended.

For Sale Affordable Unit: means an Affordable Unit that is owned, or is to be owned, by a Qualified Purchaser.

Foreclosure Notice: is defined in Section 8.3 or Section 8.4.

Homeownership Project Owner: means Habitat, the intended developer of the For Sale Affordable Units, and all of its assignees, transferees, and successor(s) in interest to a For Sale Affordable Unit until the initial sale of the unit.

Household(s): means all individuals who will occupy the Affordable Unit, including all individuals over eighteen (18) years of age whose names will appear as purchaser(s), spouse or domestic partner and children under eighteen (18) years of age. A Household may be a single family, one (1) individual living alone, two (2) or more families living together, or any other group of related or unrelated individuals who share living arrangements as allowable by this Covenant.

Household Size Adjustment Factor (HAF): means the factor related to the number of individuals in a Household for the purpose of establishing the maximum Annual Household Income of a For Sale Affordable Unit, at settlement on the For Sale Affordable Unit, as set forth in the following table:

Household Size	Household Adjustment Factor
1	0.7
2	0.8
3	0.9
4	1
5	1.1
6	1.2

Housing Cost: means the total monthly mortgage payments, property tax, hazard insurance, if applicable, and condominium or homeowner fees for For Sale Affordable Units.

HUD: means the United States Department of Housing and Urban Development.

Land Records: means the real property records for the City of Charlottesville located in the Circuit Court for the City of Charlottesville.

Landowner: is identified in the preamble of this Covenant.

Levels of Affordability refers to the Tiers of Affordable Housing defined in terms of AMI. Families earning: between 120 and 80% AMI are considered “moderate-income”; between 80 and 50% AMI, “low-income”; between 50 and 30% AMI, “very low-income” and below 30% AMI, “extremely low-income.”

Loan Agreement: means that certain loan agreement by and between PHA and the City approved by Ordinance adopted by Charlottesville City Council on _____, including the

promise to construct the For Sale Affordable Units in accordance with this Covenant.

Market Rate Unit: means each residential unit on the Property that is not an Affordable Unit.

Maximum Sales Price: as defined in Section 5

Mortgage: means a mortgage, deed of trust, mortgage deed, or such other classes of instruments as are commonly given to secure a debt under the laws of the City of Charlottesville.

Mortgagee: means the holder of a Mortgage.

Parcel: is a portion of the Property on which the For Sale Affordable Units will be constructed, as set forth on **Exhibit A**, attached and incorporated herein by reference.

Person: means any individual, corporation, limited liability company, trust, partnership, limited partnership, or other legal entity.

Project: means the structures, landscaping, hardscape and/or site improvements to be constructed or placed on the Property, including a minimum of a total of 20 For Sale Affordable Units referred to within the definition of “**Affordability Requirement**”. The term “**Project**” includes all phases of the proposed redevelopment of the Property.

Project Owner: means any Person that has an interest in the Property and all of such Person’s (including, Homeownership Project Owner’s) assignees, transferees, sublessees, subtenants, and successors in interest.

Property: refers to the land described on Exhibit A, incorporated herein by reference, which includes the real estate identified, as of the date of this Covenant, by the City real estate parcel identification numbers _____ [to be added prior to recordation- 20 subdivided lots comprise the Property].

Qualified Purchaser: each means a Household that (i) has an Annual Household Income, as certified by the Certifying Authority, less than or equal to the maximum Annual Household Income for the applicable Affordable Unit at the time of initial qualification, (ii) shall occupy the Affordable Unit as its principal residence, (iii) shall not permit exclusive occupancy of the Affordable Unit by any other individual(s), (iv) shall use and occupy the Affordable Unit as an Affordable Unit subject to the Affordability Requirement and this Covenant and (v) shall occupy the Affordable Unit within the Occupancy Standard.

Sale: is defined in Section 5.

Utilities: means water, sewer, electricity, and natural gas.

ARTICLE II

AFFORDABILITY REQUIREMENT

2.1 Requirement of Affordability. All of the Affordable Units within the Project shall be constructed and reserved as For Sale Affordable Units, subject to the Affordability Requirement. The Project shall include a total minimum of 20 For Sale Affordable Units (“**Required Affordable Units**”). For all purposes of this Covenant, the term “Affordability Requirement” means and refers to all of the following:

2.1.1. All For Sale Affordable Units are subject to the Affordability Period as further detailed in Article V of this Covenant.

2.1.2. For Sale Affordable Units shall be subject to the following:

(a) No fewer than 20 of the Affordable Units within the Project shall be For Sale Affordable Units (“**Required For Sale Affordable Units**”) developed by Habitat. The Required For Sale Affordable Units are further subject to all of the following:

(i) no fewer than 20 Required For Sale Affordable Units shall be sold to Households with a maximum Annual Household Income of 60% Area Median Gross Income.

(b) Additional For Sale Affordable Units may be provided within the Project.

(c) The provisions of 2.1.2(a) and (b), above, are, unless otherwise provided, subject to subsection (g)(1)(C) of Section 42 of the Code and the federal Average Income Test.

2.2 Affordable Unit Standards and Location.

2.2.1 *Exterior Finishes.* Exterior finishes of Affordable Units within the Project will be substantially consistent across tiers of affordability.

2.3 Marketing Affordable Units. Homeownership Project Owner shall create a marketing plan that sets forth its plan for marketing the Affordable Units to Households who may be Qualified Purchasers. The Affordable Unit Marketing Plan shall be subject to the Agency’s prior written approval prior to marketing any Affordable Units for sale.

2.4 Certifying Authority. Homeownership Project Owner shall be a Certifying Authority. The Certifying Authority shall review documentation and verify a Household’s Annual Household Income and Household’s size in order to determine whether that Household is a Qualified Purchaser.

ARTICLE III

USE

3.1 Use. Except as provided herein, all Affordable Unit Owners shall have the same and equal use of all the amenities within the Project and services provided to residents within the Project (except if unique services are required for certain residents as approved by the Agency). No restrictions, requirements or rules shall be imposed on Affordable Unit Owners at any tier of affordability that are not imposed equally on the Affordable Unit Owners within other tiers of affordability. If amenities, services, upgrades, or ownership or rental of parking and other facilities are offered as an option to Affordable Unit Owners at any tier of affordability, such amenities, services, upgrades, or rental of parking and other facilities shall be offered to the Affordable Unit Owners at other tiers of affordability. If there is no cost or fee charged to Affordable Unit Owners at one tier of affordability for such amenities, services, upgrades, or rental of parking and other facilities, there shall not be a cost or fee charged to Affordable Unit Owners at other tiers of affordability.

3.2 Demolition/Alteration. Affordable Unit Owners shall maintain, upkeep, repair and replace interior components (including fixtures, appliances, flooring and cabinetry).

ARTICLE IV

[RESERVED]

ARTICLE V

SALE OF AFFORDABLE UNITS

5.1. Sale of For Sale Affordable Units. The Homeownership Project Owner shall comply with the provisions of this Article V for the sale of the For Sale Affordable Units.

5.1.1. Maximum Sales Price. The sale price of each For Sale Affordable Unit upon an initial closing (“Sale”) shall not exceed 120% of fair market value as established by an appraisal of the Affordable Unit (the “Maximum Sales Price”) prior to Sale, notwithstanding that the initial Housing Cost for a purchaser with an Annual Housing Income at the designated Level of Affordability shall not exceed 30% of the purchaser’s gross family income. The Housing Cost includes mortgage payments, property taxes, condominium and homeowner fees, and hazard insurance, if applicable.

5.1.2. Resale. In accordance with a Zoning Determination letter issued by the City of Charlottesville to Habitat for Humanity of Greater Charlottesville dated February 22, 2024 and attached as Exhibit B to this Covenant, all Affordable Units shall have the following provisions incorporated into the deed of bargain and sale:

A. A provision granting Habitat both (i) a right of first refusal to repurchase the Affordable Unit from the initial Qualified Purchaser, and (ii) the right to share in appreciation

realized upon transfer of the Affordable Unit to a third party (the “**Appreciation in Value**” as the Appreciation in Value is more particularly defined in Habitat’s standard deed to be delivered in accordance with Section 5.3.3 below), which rights will run with and burden the title to the Affordable Unit, and bind the grantees, successors, and assigns for a period of time of 40 years from the date of recordation date of the deed from Habitat to the Qualified Purchaser in the Land Records.

B. If the Affordable Unit is transferred for the first time:

- a. Within 60 months after the recordation date of the deed from Habitat to the Qualified Purchaser, then 100% of the Appreciation in Value shall be paid to Habitat;
- b. Within 61 to 120 months after the recordation date of the deed from Habitat to the Qualified Purchaser, then 75% of the Appreciation in Value shall be paid to Habitat;
- c. Within 121 to 240 months after the recordation date of the deed from Habitat to the Qualified Purchaser, then 50% of the Appreciation in Value shall be paid to Habitat;
- d. Within 241 to 300 months after the recordation date of the deed from Habitat to the Qualified Purchaser, Habitat shall be entitled to 40% of the Appreciation in Value;
- e. Within 301 to 480 months after the recordation date of the deed from Habitat to the Qualified Purchaser, Habitat shall be entitled to 30% of the Appreciation in Value;
- f. Within 481 months after the recordation date of the deed from Habitat to the Qualified Purchaser, Habitat shall be entitled to 0% of the Appreciation in Value.

C. In the event of a sale before the expiration of 30 years from the date hereof, Habitat will either repurchase and sell the home to another Qualifying Purchaser or reinvest Habitat’s share of the Appreciation in Value back into the production of affordable housing in the City as demonstrated by the production of another affordable For Sale Affordable Unit within five years of such sale. In the case of the latter – i.e. the home sells to a non-income-qualified purchaser and Habitat reinvests proceeds in another For Sale Affordable Unit located in the City – the subsequent deed of bargain and sale will not be required to include a right of first refusal or Appreciation in Value covenant.

D. If another home is not built within five years of such sale, then Habitat will provide an in-lieu of payment equal to 50% of its share of the appreciation into the City’s housing fund.

E. Nothing in the above shall preclude the ability of the owner to transfer the property to their lineal descendants. In the case of such a transfer, no appreciation in value shall be due to Habitat.

5.1.3. Housing Purchase Assistance Program and other Subsidized Funding. The Maximum Sales Price and Resale Provisions of a For Sale Affordable Unit shall be determined without regard to the prospective purchaser’s use of Housing Purchase Assistance Program and/or other subsidized funding for the purchase of the For Sale Affordable Unit, unless otherwise provided by the Covenant.

5.2. Procedure for Sales. The following procedures shall apply with respect to the initial Sale of a For Sale Affordable Unit.

5.2.1. Income Eligibility. For any Qualified Purchaser, the Annual Household Income shall be determined as of the date of the sales contract for such For Sale Affordable Unit. If Sale of a For Sale Affordable Unit will not occur within 90 days after the effective date of the sales contract for that Affordable Unit, the Annual Household Income of the prospective Qualified Purchaser shall be determined again within 90 days prior to Sale. A Household's eligibility to purchase a For Sale Affordable Unit is determined as follows: The front-end ratio for the purchaser shall be no greater than 30%. For clarity, the Homebuyer's monthly Housing Cost payment at the time of Sale shall be no more than 30% of the Homebuyer's total gross monthly income. Housing Cost payment will include principal, and escrows for real estate taxes, homeowner insurance, HOA or Condo dues, and exterior maintenance fees (if applicable). The back-end ratio (i.e. the purchaser's total debt to income ratio including housing expenses) at purchase shall be 43% or less.

5.3. Closing Procedures and Form of Deed.

5.3.1. Owner to Provide Copy of Covenant. Homeownership Project Owner or Affordable Unit Owner, as applicable, shall provide the Qualified Purchaser a copy of this Covenant prior to or at the closing on the Sale of the For Sale Affordable Unit.

5.3.2. Form of Deed. All deeds used to convey or otherwise transfer title to a For Sale Affordable Unit must have a fully executed Certificate of Purchaser Eligibility attached, if the sale or other transfer of title is to a Qualified Purchaser. Every deed shall include the following statement in twelve (12) point or larger type, in all capital letters, on the first page of the deed:

THIS DEED IS DELIVERED AND ACCEPTED SUBJECT TO THE PROVISIONS AND CONDITIONS SET FORTH IN THAT CERTAIN AFFORDABLE HOUSING COVENANT, DATED AS OF _____, __, 202____ RECORDED AMONG THE LAND RECORDS OF THE CITY OF CHARLOTTESVILLE, VIRGINIA AS INSTRUMENT NUMBER _____, ON _____, __, 202____, WHICH AMONG OTHER THINGS IMPOSES RESTRICTIONS ON THE SALE AND CONVEYANCE OF THE SUBJECT PROPERTY.

5.3.3. Deed for a For Sale Affordable Unit. A deed for a For Sale Affordable Unit shall not be combined with any other property, including parking spaces or storage facilities, unless the price of such property is included in the Maximum Sales Price (for initial Sales). Each Deed to a Qualified Purchaser for a For Sale Affordable Unit will include Habitat's then current right of first refusal and definition of Appreciation in Value.

5.3.4. Post Closing Obligations. The Homeownership Project Owner and the purchaser of a For Sale Affordable Unit shall submit to the Agency within thirty (30) days after the closing a copy of the final executed HUD settlement statement, a copy of the deed recorded in the Land Records (including the Instrument Number assigned to the deed at recordation, when available), the Certificate of Purchaser Eligibility, and the Certification of Income.

5.4. Representations of Owner. By execution of a deed conveying or otherwise transferring legal title to a For Sale Affordable Unit to a Qualified Purchaser, the Homeownership Project Owner or

Affordable Unit Owner shall be deemed to represent and warrant to, and agree with, the Agency and, if applicable, the title company, each of whom may rely on the following: that (i) the Household is determined to be a Qualified Purchaser by Habitat at the applicable designated Level of Affordability, and (ii) the sale price satisfies the terms of this Covenant.

5.5. Leasing For Sale Affordable Units. An Affordable Unit Owner shall not lease a For Sale Affordable Unit without Habitat's prior written approval, in Habitat's sole and absolute discretion. If Habitat approves the lease of a For Sale Affordable Unit, then, to the extent permitted by applicable law, that Affordable Unit shall be leased affordably to an income qualified tenant at or below 80% AMI.

5.6. Transfers and Conveyances. This Covenant shall run with the Property and shall be binding upon the Landowner and Homeownership Project Owner and all their heirs, successors and assigns for the Affordability Period. Except as otherwise expressly provided in this Covenant, in the event that the right, title and interest of an Affordable Unit Owner is, in whole or in part, transferred to a third party by operation of law (such as, without limitation: by court order, administration of an estate, intestate succession, etc.) (each third party receiving such interest, a "Transferee"), then such Transferee, shall automatically be bound by all of the terms, obligations and provisions of this Covenant.

5.7. Progress Reports. Until all initial Sales of For Sale Affordable Units are completed, the Homeownership Project Owner shall provide Agency with annual progress reports, or more frequently upon request, on the status of its initial sale of the For Sale Affordable Units. Upon conversion of a Rental Affordable Unit to a For Sale Affordable Unit, then the first sale of that Unit to a Qualified Purchaser, and each subsequent sale of such Affordable Unit, and the occupancy of such Unit, shall be governed by this Article V.

5.8. Annual Reporting Requirements. Beginning in the first year that any For Sale Affordable Unit is occupied, the Homeownership Project Owner shall provide an annual report ("Annual Report") to the Agency regarding the For Sale Affordable Units, which shall be submitted on each anniversary date of the Effective Date of this Covenant. The Annual Report shall include the following:

- (a) the number and identification of Homeownership Project Owner's For Sale Affordable Units, by bedroom count, that are occupied;
- (b) the number and identification of Homeownership Project Owner's For Sale Affordable Units, by bedroom count, that are vacant;
- (c) a sworn statement that, to the best of Homeownership Project Owner's information and knowledge, the Household occupying each For Sale Affordable Unit meets the eligibility criteria of this Covenant for a Qualified Purchaser;
- (d) the address and price and Annual Household Income of each Qualifying Purchaser of a For Sale Affordable Units sold in the prior calendar year; and
- (e) a copy of all forms, policies, procedures, and other documents reasonably requested by the Agency related to the Affordable Units.

The Annual Reports shall be retained by Homeownership Project Owner for a minimum of five (5) years after submission and shall be available, upon reasonable notice, for inspection by the Agency or its designee. Notwithstanding anything contained herein to the contrary, in the event that Homeownership Project Owner provides a report to an agency within the City government with content substantially similar to the content of the Annual Reports described in this section, subject to the Agency's prior written approval, then the reporting requirements under this section shall be satisfied upon Homeownership Project Owner's delivery of such report to the Agency. The Agency may request Homeownership Project Owner to provide additional information in support of its Annual Report, as necessary for the Homeownership Project Owner to verify compliance with the requirements of this Covenant.

ARTICLE VI

DEFAULT; ENFORCEMENT AND REMEDIES

6.1 Default; Remedies. In the event Homeownership Project Owner defaults under any term of this Covenant, and Homeownership Project Owner does not cure such default within sixty (60) days following written notice of such default from the Agency, the City shall have the right to seek specific performance, injunctive relief or other equitable remedies, including compelling the re-sale or leasing of an Affordable Unit and the disgorgement of rents and sale proceeds in excess of the rental rates and sale prices permitted hereunder, for any default(s). In the event such cure cannot reasonably be affected within the 60-day period, the Homeownership Project Owner may request such additional time as may reasonably be necessary to cure such default provided the Homeownership Project Owner has promptly initiated and diligently pursued such cure. Homeownership Project Owner shall give notice of any such default to PHA, and any cure provided by PHA shall be acceptable to the City as if rendered by Homeownership Project Owner directly.

If Homeownership Project Owner is in default under the terms of the Covenant, prior to exercising any remedies thereunder, the City shall provide simultaneous written notice of such default to PHA. PHA shall have the independent right to cure any defaults within the time periods set forth above. City hereby agrees that any cure of any default made or tendered by PHA shall be (i) deemed to be a cure by Homeownership Project Owner, and (ii) accepted or rejected on the same basis as if made or tendered by Homeownership Project Owner.

6.2 Right to Attorney's Fees. In any legal action to enforce this Covenant, the non-prevailing party shall pay the prevailing party's reasonable attorney fees and litigation costs incurred in connection with the prevailing party's efforts to enforce this Covenant. If the Charlottesville City Attorney's Office (CAO) serves as counsel for the City in such legal action, the reasonable attorney fees for the City shall be calculated based on the then applicable hourly rates prevailing within private practice within the City of Charlottesville, Virginia (taking into account the classification of the City employee performing the work), and the number of hours that employees of the CAO prepare for or participated in any such action.

ARTICLE VII

COVENANT BINDING ON SUCCESSORS AND ASSIGNS

This Covenant is and shall be binding upon the Property and shall run with the land and any interest therein as of the Effective Date through the Affordability Period. The rights and obligations of City, Homeownership Project Owner, and any Affordable Unit Owner, shall be binding upon and inure to the benefit of the said parties and their respective heirs, successors, and assigns; provided however that all rights of City pertaining to the monitoring and/or enforcement of the obligations of Homeownership Project Owner or any Affordable Unit Owner shall be retained by City, or such designee of the City as the City may so determine. No sale, transfer or foreclosure shall affect the validity of this Covenant, except as otherwise expressly provided within this Covenant.

ARTICLE VIII

MORTGAGES

8.1 **Subordination of Mortgages.** The provisions of this Article VIII shall only apply to For Sale Affordable Units, if applicable. All Mortgages placed against the Property, or any portion thereof, shall be subject to this Covenant, except as provided in Section 8.4.

8.2 **Amount of Mortgage.** In no event shall the aggregate amount of all Mortgages placed with respect to an Affordable Unit exceed an amount equal to one hundred twenty percent (120%) of the Maximum Sale Price for such For Sale Affordable Unit.

8.3 **Default of Mortgage and Foreclosure.**

8.3.1 **Notice of Default.** The Mortgagee shall provide the Agency written notice of any default and notice of intent to foreclose under the Mortgage on any For Sale Affordable Unit. Notwithstanding the foregoing, in no event shall failure to provide such notices preclude the Mortgagee's right to proceed with its remedies for default under the Mortgage.

8.3.5 *[Reserved]*

8.4. **Subordination of Covenant.** Habitat must obtain City approval prior to obtaining any financing for a For Sale Affordable Unit which would be senior in priority to this Covenant.

8.5. **Release of Covenant.** In the event that a For Sale Affordable Unit is sold to an arms-length purchaser who is not a Qualifying Purchaser, upon written request of Habitat, and subject to the provisions of Article V of this Covenant, the City shall execute a Release from this Covenant of such For Sale Affordable Unit, in a commercially reasonable, customary form reasonably acceptable to the City and approved as to form by the Office of the City Attorney, to be recorded at Habitat's sole cost and expense in the land records of the City of Charlottesville, Virginia.

ARTICLE IX

AMENDMENT OF COVENANT

Except as otherwise provided herein, neither this Covenant, nor any part hereof, can be amended, modified or released, unless such amendment, modification or release is set forth within a written instrument executed by a duly authorized official of the Agency on behalf of the City, and by a duly authorized representative of a Homeownership Project Owner and recorded in the Land Records. Any amendment to this Covenant that alters the terms and conditions set forth herein shall be recorded among the Land Records before it shall be deemed effective.

ARTICLE X

AFFORDABILITY PERIOD

10.1. The Affordability Period for each For-Sale Affordable Unit shall commence on the date of recordation of the deed transferring the initial ownership of the For-Sale Affordable Unit to a Qualified Purchaser and shall continue for the Affordability Period. Notwithstanding the foregoing, this Covenant may be released and extinguished upon the written approval of the Agency, in its sole and absolute discretion.

ARTICLE XI

NOTICES

11.1 Any notices given under this Covenant shall be in writing and delivered by United States mail (return receipt requested, postage pre-paid), delivered by hand, or delivered by private overnight commercial courier service to the applicable Person at the addresses specified in this Article, or to such other persons or locations as may be designated in writing by the City or the Project Owner from time to time. All notices to be sent to the City shall be sent to the following address:

CITY: Charlottesville City Manager
 P.O. Box 911, Charlottesville, Virginia 22902

With a copy to: Charlottesville City Attorney
P.O. Box 911, Charlottesville, Virginia 22902

All notices to be given to Homeownership Project Owner shall be given by mail or delivery to:

Greater Charlottesville Habitat for Humanity, Inc.
967 2nd Street SE
Charlottesville, Virginia, 22902
Attention: Executive Director

All notices to be given to PHA shall be given in accordance with the notice provisions in the Loan Agreement

All notices to be given to an Affordable Unit Owner shall be given by mail or delivery to the physical address of the For Sale Affordable Unit. It shall be the responsibility of the applicable person and any successor to give written notice to the City of its mailing and delivery addresses. The failure of the applicable person to keep the City apprised in writing of its mailing and delivery address(es) shall constitute a default under this Covenant.

11.2 Notices shall be deemed delivered as follows: (i) if hand-delivered, then on the date of delivery or refusal thereof; (ii) if by overnight courier service, then on the next business day after deposit with the overnight courier service; and (iii) if by certified mail (return receipt requested, postage pre-paid), then on the date of actual delivery or refusal thereof.

ARTICLE XII

MISCELLANEOUS

12.1 **Applicable Law; Venue.** This Covenant shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the Commonwealth of Virginia, without reference to the conflicts of laws provisions thereof. Each of the parties whose signatures are affixed to this Covenant irrevocably agrees, on behalf of itself and each of its heirs, successors in interest and assigns, to submit to the jurisdiction of the Circuit Court for the City of Charlottesville, Virginia for the purposes of any suit, action or other proceeding arising out of this Covenant or any transaction contemplated hereby. Each of the parties whose signatures are affixed to this Covenant, on behalf of itself and each of its heirs, successors in interest and assigns, irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Covenant or the transactions contemplated hereby in the Circuit Court of the City of Charlottesville and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

12.2 **Counterparts.** This Covenant may be executed in any number of counterparts, each of which shall be an original but all of which shall together constitute one and the same instrument.

12.3 **Time of performance.** All dates for performance (including cure of any default) shall expire at 5:00 p.m. (Eastern Time) on the performance or cure date. A performance date which falls on a Saturday, Sunday or City holiday is automatically extended to the next Business Day.

12.4 **Waiver of Jury Trial.** TO THE EXTENT PERMITTED BY LAW, ALL PARTIES HERETO WAIVE THE RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY LITIGATION ARISING IN RESPECT OF THIS COVENANT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

12.5 **Further Assurances.** Each party agrees to execute and deliver to the other party such additional documents and instruments as the other party may request in order to fully carry out the purposes and intent of this Covenant; provided that such additional documents and instruments do not

materially increase the obligations or burdens upon the second party.

12.6 Severability. If any provision of this Covenant is held to be unenforceable or illegal for any reason, said provision shall be severed from all other provisions; all other provisions shall be and remain in effect without reference to the unenforceable or illegal provision.

12.7 Limitation on Liability. Provided that Homeownership Project Owner has exercised due diligence in the performance of its obligations and duties herein, Homeownership Project Owner shall not be liable in the event a Household submits falsified documentation, commits fraud, or breaches any representation or warranty contained in this Covenant. Notwithstanding the foregoing, Homeownership Project Owner or Affordable Unit Owner shall be liable if Homeownership Project Owner or Affordable Unit Owner has knowledge, or should have knowledge, that a Household submitted falsified documentation, committed fraud, or breached any representation or warranty contained in this Covenant.

12.8 Agency Limitation on Liability. Any review or approval by the City or the Agency shall not be deemed to be an approval, warranty, or other certification by the City or the Agency as to compliance of such submissions, the Project, any Affordable Unit or the Property with any building codes, regulations, standards, laws, or any other requirements contained in this Covenant, or any other covenant granted in favor of the City that is filed among the Land Records or otherwise contractually required. The City shall incur no liability in connection with the Agency's review of any submissions required under this Covenant as its review is solely for the purpose of protecting the City's interest under this Covenant.

12.9 No Third Party Beneficiary. Except as expressly set forth in this Covenant, there are no intended third party beneficiaries of this Covenant, and no Person other than City shall have standing to bring an action for breach of or to enforce the provisions of this Covenant.

12.10 Non-Waiver. The failure of any party to this Covenant to enforce any rights, reservations, restrictions, easements or conditions contained in this Covenant, regardless of how long such failure shall continue, shall not constitute a waiver of or bar of such right to enforcement. The remedies granted hereunder are cumulative, and the exercise of any one or more shall not be deemed an election of remedies or waiver of the right to pursue other remedies.

12.11 Representations of Homeownership Project Owner. As of the date hereof, Homeownership Project Owner hereby represents and warrants to City as follows:

- (a) This Covenant has been duly executed and delivered by Homeownership Project Owner and Landowner, and constitutes the legal, valid and binding obligation of said persons, enforceable against said persons, and their heirs, successors and assigns; and
- (b) Neither the entering into of this Covenant nor performance hereunder will constitute or result in a violation or breach by Homeownership Project Owner of any agreement or order which is binding on Homeownership Project Owner; and
- (c) The Homeownership Project Owner (i) is duly organized, validly existing and in good standing under the laws of its state of jurisdiction and is qualified to do business and is in good

standing under the laws of the Commonwealth of Virginia and the City of Charlottesville; (ii) is authorized to perform under this Covenant; and (iii) has all necessary power and authority to execute and deliver this Covenant.

12.12 Federal Affordability Restrictions. In the event the Property is encumbered by other affordability restrictions (“**Federal Affordability Restrictions**”) as a result of federal funding or the issuance of Low-Income Housing Tax Credits for the Project, it is expressly understood that, to the extent, if any, that such Federal Affordability restrictions, requirements, and provisions conflict with any provision(s) of this Covenant, then in the event the conflicting provision(s) in this Covenant would cause a default of or finding of non-compliance with the Federal Affordability Restrictions during the compliance period for the Federal Affordability Restrictions, then the requirements of the Federal Affordability Restrictions shall control to the extent of the conflict. In all other instances, the requirements of this Covenant shall control.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Declaration of Affordable Housing Covenants (Homeownership) as of the day and year first above written.

HOMEOWNERSHIP PROJECT OWNER:

GREATER CHARLOTTESVILLE HABITAT FOR HUMANITY, INC.
a Virginia non-stock corporation

By: _____,
Daniel H Rosensweig,
its CEO

COMMONWEALTH OF VIRGINIA)
)
)
CITY/COUNTY OF _____)

On _____, 2026, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity as Designated Representative of _____, and that by their signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public

Commission expires: _____

Registration No.: _____

ACKNOWLEDGED AND AGREED TO:

CITY OF CHARLOTTESVILLE, VIRGINIA

By: _____
City Manager

Approved as to Form:

By: _____
Title: _____
Date: _____

EXHIBIT A
TO DECLARATION OF AFFORDABLE HOUSING COVENANTS

Legal Description of Homeownership Property

All that those certain lots or parcels of land, together with all improvements thereon and rights and appurtenance thereto, located in the City of Charlottesville, Virginia, shown and described on a plat entitled "PLAT SHOWING MAJOR SUBDIVISION KNOWN AS MACAA REDEVELOPMENT AND BEING CITY PIDS 470007100, 470008000, & 470011000 IN THE CITY OF CHARLOTTESVILLE, VIRGINIA" prepared by Timmons Group, dated December 22, 2023, last revised October 25, 2024, and recorded with a deed in the Clerk's Office of the Circuit Court of the City of Charlottesville, Virginia, as Instrument No. 202400003048 as follows:

LOTS A1 through A8
LOTS C1 through C6
LOTS D1 through D6

BEING a portion of the same real estate conveyed to Monticello Area Community Action Agency, a Virginia nonstock corporation, by the following instruments: (a) deed from Charlottesville-Albemarle YMCA Inc., a Virginia non-stock corporation, and Christine C. Chapman, Substitute Trustee under Agreement dated April 10, 1989, creating The McIntire Land Trust, dated May 19, 1993, recorded June 10, 1993 in the Clerk's Office, Circuit Court, Charlottesville, Virginia in Deed Book 604, Page 568; (b) deed from Rebecca W. West dated November 22, 2016, recorded December 2, 2016 in said Clerk's Office as Instrument No. 201600004608; and (c) from 1023 Park Street, LLC, a Virginia limited liability company, by a Deed of Gift of Boundary Line Adjustment dated December 18, 2024, recorded December 19, 2024, in said Clerk's Office as Instrument No. 202400003048.

PROMISSORY NOTE

\$3,770,000.00

_____, 2026
Charlottesville, Virginia

FOR VALUE RECEIVED, the undersigned, **PIEDMONT HOUSING ALLIANCE**, a Virginia nonprofit corporation, with a mailing address of 682 Berkmar Circle, Charlottesville, Virginia 22901 (the "Borrower"), promises to pay to the order of the **CITY OF CHARLOTTESVILLE, VIRGINIA**, a municipal corporation and political subdivision of the Commonwealth of Virginia, with a mailing address of 605 East Main Street, City Hall, Charlottesville, Virginia 22902 (the "Lender" or "City"), the sum of **Three Million Seven Hundred Seventy Thousand and No/100 Dollars** (\$3,770,000.00) (the "Loan"), together with interest, in arrears, on the unpaid principal amount hereof and on overdue interest hereunder at the rate specified below, whether before or after maturity. This Promissory Note, as amended from time to time, is referred to herein as this "Note."

This Note is issued pursuant to the terms and provisions of that certain Loan Agreement, dated as of the date hereof, between Borrower and the City (as amended from time-to-time, the "Loan Agreement") and is in all respects entitled to the benefits of and is subject to the terms and provisions of the "Loan Documents" (as defined in the Loan Agreement), to which reference is hereby made for a more complete statement of the terms and conditions under which the loan evidenced hereby is to be made and repaid.

Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in the Loan Agreement.

1. **Interest.** The outstanding principal amount of this Note shall accrue interest at the per annum rate of three and 00/100ths percent (3.00%).

2. **Term and Forgiveness.** This Note shall mature, and all unpaid amounts and any unpaid accrued interest shall be due and payable in full on or before midnight on December 31 of the fortieth (40th) year of the Deferral Period. The Loan shall be forgiven if the Borrower is in compliance with the terms of the Loan Agreement and the other Loan Documents.

3. **Event of Default.** This Note shall become immediately due and payable in full upon the occurrence of any of the following, in each case following any applicable notice and cure period:

- a. on the date of any Uncured Event of Default on the Loan;
- b. upon the insolvency or dissolution of the Borrower;
- c. on the date of any foreclosure of the Project; or

d. upon the sale or transfer of the property, or any portion(s) thereof, to any person other than a related entity, or other assignee, who has been approved by the Lender in advance. For purposes of this Note, the term “related entity” means any transferee that is controlled by the Borrower, the Recipient, or both.

4. **Repayment Upon Event of Default.** If an Event of Default occurs, the unforgiven balance of the Loan shall become immediately due and payable to the City, without notice or demand, together with interest at the rate of three and 00/100ths percent (3.00%) per annum. The City may pursue all remedies available at law or in equity to recover the outstanding balance.

5. **Subordination.** This Note is expressly subordinate to any first mortgage or deed of trust securing a loan made to the Borrower for the purchase or construction of the Project. The Deed of Trust shall not, without the prior written consent of the City, be subordinated upon the refinance of any prior mortgage.

6. **Security.** This Note is secured by a Deed of Trust of even date herewith, executed by Borrower to and for the benefit of the City, encumbering the Property.

7. **Notices.** Any notice required or permitted to be given hereunder shall be given in accordance with Section 6.K of the Loan Agreement.

8. **Governing Law.** This Note shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

9. Miscellaneous.

a. No delay or omission by the City in exercising any right shall operate as a waiver of such right.

b. This Note may not be modified or amended except in writing executed by both parties.

c. The Borrower agrees to pay all costs and expenses (including reasonable attorneys' fees) incurred by the holder to this Note in the collection of sums due hereunder and/or in the exercise or defense of the holder's rights and powers under this Note or any other Loan Document.

d. All references to Lender shall be deemed to apply to any holder of this Note, and the terms hereof shall be binding on the heirs, executors, administrators, successors, and assigns of the Borrower and Lender.

e. Should any provision of this Note be judicially declared to be invalid, unenforceable or void, such decision shall not have the effect of invalidating or voiding the remainder of this Note, and the parties hereto agree that the provision of this Note so held to be invalid, unenforceable or void shall be deemed to have been stricken here from

and the remainder shall have the same force and effectiveness as if such provision had never been included herein.

.

[Signature page follows.]

IN WITNESS WHEREOF, Borrower has duly executed and delivered this Note as of the date hereof.

BORROWER:

PIEDMONT HOUSING ALLIANCE

By: _____
Print Name: _____
Title: _____

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF _____)

On _____, 2026, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as _____ of Piedmont Housing Alliance, and that by his signature on the instrument, the entity, individual, or the person on behalf of which the individual acted, executed the instrument.

Notary Public

Commission expires: _____

Registration No.: _____

ACKNOWLEDGED AND AGREED TO:

CITY OF CHARLOTTESVILLE, VIRGINIA

By: _____
City Manager

Approved as to Form:

By: _____
Title: _____
Date: _____

[Signature Page to Promissory Note.]

Prepared by and return to:
Charlottesville City Attorney
P.O. Box 911
Charlottesville, Virginia 22902

Re City of Charlottesville Real Estate Parcel Id. No. _____

(For Recorder's Use)

DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES,
SECURITY AGREEMENT AND FIXTURE FILING

WITH POWER OF SALE

The maximum aggregate amount of principal to be secured at any one time under this Deed of Trust, Assignment of Rents and Leases, Security Agreement and Substitution of Trustee is \$3,770,000.00

Name of the noteholder secured by this Deed of Trust: THE CITY OF CHARLOTTESVILLE, VIRGINIA, a municipal corporation and a political subdivision of the Commonwealth of Virginia

Address at which communications to the noteholder may be mailed or delivered: Charlottesville City Manager
P.O. Box 911
Charlottesville, Virginia 22902

With a copy to:

Charlottesville City Attorney
P.O. Box 911
Charlottesville, Virginia 22902

(This Document Serves as a Fixture Filing under Section 9-502 of the Virginia Uniform Commercial Code)

Grantor's Organizational Identification Numbers: _____ and _____

THIS DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES AND SECURITY AGREEMENT (this "City Deed of Trust") is made as of the ____ day of _____, 2026 by **PIEDMONT HOUSING ALLIANCE**, a Virginia non-stock corporation, and **1025-A Park Street, LLC**, a Virginia limited liability company and **1025-B Park Street, LLC**, a Virginia limited liability company (collectively, the "**Rental Grantor**") whose addresses are c/o Piedmont Housing Alliance, Attn: Executive Director, 682 Berkmar Circle, Charlottesville, Virginia, 22901, and **GREATER CHARLOTTESVILLE HABITAT FOR HUMANITY, INC.**, a Virginia non-stock corporation whose address is 967 2nd Street SE, Charlottesville,

Virginia, 22902 ("Homeownership Grantor"), as grantor (Rental Grantor and Homeownership Grantor are hereinafter collectively referred to as the "Grantor"), **in favor of** _____ **and** _____ as trustees, [a resident of _____, Virginia, OR a Virginia _____] (either of whom may act for both and who are collectively referred to herein as "Trustee"), whose address is _____, **for the benefit of THE CITY OF CHARLOTTESVILLE, VIRGINIA**, a municipal corporation and a political subdivision of the Commonwealth of Virginia, as beneficiary and grantee for purposes of indexing (together with its successors and assigns, the "City")

RECITALS

A. Rental Grantor is the fee simple owner of certain real property in the City of Charlottesville as further described in **Exhibit "A-1"** attached hereto (the "Rental Property") attached to this Covenant, which Rental Property will include the development of sixty-six (66) rental affordable housing units and other amenities appurtenant to the rental affordable housing units (the "Rental Project").

B. Homeownership Grantor is the fee simple owner of certain real property in the City of Charlottesville as further described in **Exhibit "A-2"** attached hereto (the "For-Sale Property", and together with the Rental Property, the "Property") attached to this Covenant, which For-Sale Property will include the development of twenty (20) for-sale affordable housing units and other amenities appurtenant to the for-sale housing units (the "For-Sale Project", and together with the Rental Project, the "Project").

C. To further the public purpose of increasing the affordable rental and homeownership housing stock within the City of Charlottesville, Virginia, and, in particular, on the Property, the City is willing to loan certain public funding to Piedmont Housing Alliance ("PHA"), in accordance with the provisions of Virginia Code § 15.2-958.

D. By Ordinance Number _____ adopted on _____, the City agreed to loan public funding pursuant to the provisions of Virginia Code § 15.2-958, to subsidize construction of streets, utilities, and other site improvements essential to the Project and to support the production of new units of residential rental and homeownership property within the Project, to be occupied following construction by Households of Low and Moderate Income. The City's adoption of the City Ordinance was induced by PHA's representation that certain residential units within the Project will, at Project buildout, be Affordable Units, as defined in that certain Declaration of Affordable Housing Covenants (Rental) dated as of the date hereof by Rental Grantor for the benefit of the City (the "Rental Affordable Housing Covenants") and in that certain Declaration of Affordable Housing Covenants (Homeownership) dated as of the date hereof by Homeownership Grantor for the benefit of the City (the "Homeownership Affordable Housing Covenants", and together with the Rental Affordable Housing Covenants, the "Affordable Housing Covenants").

E. The PHA and the City have executed a Loan Agreement dated as of the date

herewith (the “**Loan Agreement**”), setting forth certain terms and conditions relating to the City’s loan of **Three Million Seven Hundred Seventy Thousand and 00/100 Dollars (\$3,770,000.00)** (the “**City Loan**”), evidenced by that certain Promissory Note, dated as of the date herewith, and payable to the City (the “**City Note**”).

F. The PHA has assigned, and the Rental Grantor has assumed, the City Loan and certain documents evidencing the City Loan.

G. The Rental Grantor and Homeownership Grantor acknowledge the value of assistance provided by the City and the value of the considerations rendered by the Rental Grantor and Homeownership Grantor in maintaining the dwelling units at reduced rents and costs for Households of Low and Moderate Income.

H. The Rental Grantor and Homeownership Grantor desire to secure to the City the payment of the indebtedness evidenced by the City Note and certain other indebtedness of the Rental Grantor to the City and the performance of certain covenants made by the Rental Grantor and the Homeownership Grantor to the City, including those covenants made in the Rental Affordable Housing Covenants and the Homeownership Affordable Housing Covenants, relating to the Premises (as hereinafter defined).

NOW THEREFORE, in consideration of mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Rental Grantor, Homeownership Grantor, Trustee, and the City hereby agree as follows:

ARTICLE 1

Incorporation of Recitals; Secured Indebtedness; Definitions; Granting Clauses;

Section 1.0. Incorporation of Recitals. The foregoing recitals are incorporated herein by this reference and made a part hereof.

Section 1.1. Principal Secured. This City Deed of Trust secures the aggregate principal amount of **Three Million Seven Hundred Seventy Thousand and 00/100 Dollars (\$3,770,000.00)**, plus such additional amounts as the City may from time-to-time advance pursuant to the terms and conditions of the Loan Agreement and this City Deed of Trust, together with interest thereon.

Section 1.2. Definitions. Each of the terms defined herein shall have the meaning assigned to it, such definitions to be applicable equally to the singular and the plural forms of such terms and to all genders. Any term used or defined in the Virginia Uniform Commercial Code, as in effect from time-to-time, and not defined in this City Deed of Trust or the Loan Agreement has the meaning given to the term in the Virginia Uniform Commercial Code, as in effect from time-to-time, when used in this City Deed of Trust; provided, however, if a term is defined in Title 8.9 of the Virginia Uniform Commercial Code differently than in another title of the Virginia Uniform Commercial Code, the term has the meaning specified in Title 8.9.

Section 1.3. Granting Clause. In consideration of the provisions of this City Deed of Trust and of the sum of ten dollars (\$10.00) cash in hand paid and other good and valuable

consideration the receipt and sufficiency of which are hereby acknowledged by the Grantor, Grantor does hereby GRANT, BARGAIN, SELL, CONVEY, TRANSFER, ASSIGN, and SET OVER to Trustee, with GENERAL WARRANTY, all of Grantor's interest, if any, in the following:

(a) those certain parcels of land described in **Exhibit "A-1"** and **Exhibit "A-2"** which are attached hereto and incorporated herein by reference (the "**Land**") together with: (i) any and all buildings, structures, improvements, alterations, or appurtenances now or hereafter situated or to be situated on the Land (collectively, the "**Improvements**"); and (ii) all right, title and interest of Grantor, now owned or hereafter acquired, in and to (1) all streets, roads, alleys, easements, rights-of-way, licenses, rights of ingress and egress, vehicle parking rights, and public places, existing or proposed, abutting, adjacent, used in connection with or pertaining to the Land or the Improvements; (2) any strips or gores between the Land and abutting or adjacent properties; (3) all options to purchase or lease the Land or the Improvements or any portion thereof or interest therein, and any greater estate in Land or the Improvements; and (4) all water and water rights, timber, crops and mineral interests on or pertaining to the Land (the Land, Improvements and other rights, titles and interests referred to in this clause (a) being herein sometimes collectively called the "**Premises**");

(b) all fixtures, equipment, systems, machinery, furniture, furnishings, appliances, inventory, goods, building and construction materials, supplies, and articles of personal property, of every kind and character, tangible and intangible (including software embedded therein), now owned or hereafter acquired by Grantor, which are now or hereafter attached to or situated in, on or about the Land or the Improvements, or used in or necessary to the complete and proper planning, development, use, occupancy or operation thereof, or acquired (whether delivered to the Land or stored elsewhere) for use or installation in or on the Land or the Improvements, and all renewals and replacements of, substitutions for and additions to the foregoing (the properties referred to in this clause (b) being herein sometimes collectively called the "**Accessories**," all of which are hereby declared to be permanent accessions to the Land);

(c) all (i) plans and specifications for the Improvements; (ii) Grantor's rights, but not liability for any breach by Grantor, under all commitments (including any commitments for financing to pay any of the Secured Indebtedness, as defined below), insurance policies (or additional or supplemental coverage related thereto, including from an insurance provider meeting the requirements of the Loan Documents or from or through any state or federal government sponsored program or entity), contracts and agreements for the design, construction, operation, or inspection of the Improvements and other contracts and general intangibles (including, but not limited to, payment intangibles, trademarks, trade names, goodwill, software, and symbols) related to the Premises or the Accessories or the operation thereof; (iii) deposits and deposit accounts arising from or related to any transactions related to the Premises or the Accessories (including, but not limited to, Grantor's rights in tenants' security deposits, deposits with respect to utility services to the Premises, and any deposits, deposit accounts, or reserves hereunder, or under any other Loan Documents (hereinafter defined) for taxes, insurance or otherwise), rebates or refunds of impact fees or other taxes, assessments or charges, money, accounts (including deposit accounts), instruments, documents, promissory notes, and chattel paper (whether tangible or electronic) arising from or by virtue of any transactions related to the Premises or the Accessories, and any account or deposit account from which Grantor may from time-to-time authorize Holder

(as hereinafter defined) to debit and/or credit payments due with respect to the City Loan; (iv) permits, licenses, franchises, certificates, development rights, commitments, and rights for utilities, and other rights and privileges obtained in connection with the Premises or the Accessories; (v) leases, rents, royalties, bonuses, issues, profits, revenues, and other benefits of the Premises and the Accessories (without derogation of Article 3 hereof); (vi) as-extracted collateral produced from or allocated to the Land including, without limitation, oil, gas, and other hydrocarbons and other minerals and all products processed or obtained therefrom, and the proceeds thereof; and (vii) engineering, accounting, title, legal, and other technical or business data concerning the Property which are in the possession of Grantor or in which Grantor can otherwise grant a security interest; and

(d) all (i) accounts and proceeds (cash or non-cash and including payment intangibles) of or arising from the properties, rights, titles, and interests referred to above in this Section 1.3, including, but not limited to, proceeds of any sale, lease, or other disposition thereof, proceeds of each policy of insurance (or additional or supplemental coverage related thereto, including from an insurance provider meeting the requirements of the Loan Documents or from, or through any state or federal government sponsored program or entity) relating thereto (including premium refunds), proceeds of the taking thereof or of any rights appurtenant thereto, including change of grade of streets, curb cuts or other rights of access, by condemnation, eminent domain or transfer in lieu thereof for public or quasi-public use under any law, and proceeds arising out of any damage thereto; (ii) all letter-of-credit rights (whether or not the letter of credit is evidenced by a writing) Grantor now has or hereafter acquires relating to the properties, rights, titles and interests referred to in this Section 1.3; (iii) all commercial tort claims Grantor now has or hereafter acquires relating to the properties, rights, titles and interests referred to in this Section 1.3; and (iv) other interests of every kind and character which Grantor now has or hereafter acquires in, to or for the benefit of the properties, rights, titles, and interests referred to above in this Section 1.3 and all property used or useful in connection therewith, including, but not limited to, rights of ingress and egress and remainders, reversions and reversionary rights or interests; and if the estate of Grantor in any of the property referred to above in this Section 1.3 is a leasehold estate, this conveyance shall include, and the lien and security interest created hereby shall encumber and extend to, all other or additional title, estates, interests, or rights which are now owned or may hereafter be acquired by Grantor in or to the property demised under the lease creating the leasehold estate; TO HAVE AND TO HOLD the foregoing rights, interests and properties, and all rights, estates, powers and privileges appurtenant thereto (herein collectively called the "**Property**"), unto Trustee, and his or their successors or substitutes in this trust, and to his or their successors and assigns, in trust, in fee simple forever, subject to the terms, provisions and conditions herein set forth, to secure the obligations of the Grantor under the Promissory Notes and Loan Documents (as hereinafter defined) and all other indebtedness and matters defined as "**Secured Indebtedness**" in Section 1.5 of this City Deed of Trust.

Section 1.4. Security Interest. Grantor hereby grants to Holder (as hereinafter defined) a security interest in all of the Property which constitutes personal property or fixtures, all proceeds and products thereof, and all supporting obligations ancillary to or arising in any way in connection therewith (herein sometimes collectively called the "**Collateral**") to secure the obligations of the Grantor under the Promissory Note and Loan Documents (as hereinafter defined) and all other indebtedness and matters defined as Secured Indebtedness in Section 1.5 of this City Deed of Trust. In addition to its rights hereunder or otherwise, Holder shall have all of the rights of a secured

party under the Virginia Uniform Commercial Code, as in effect from time-to-time, or under the Uniform Commercial Code in force, from time-to-time, in any other state to the extent the same is applicable law.

Section 1.5. Secured Indebtedness, Promissory Notes, Loan Documents, Other Obligations. This City Deed of Trust is made to secure and enforce the payment and performance of the following promissory notes, obligations, indebtedness, duties, and liabilities and all renewals, extensions, supplements, increases, and modifications thereof in whole or in part from time-to-time (collectively the "**Secured Indebtedness**"):

(a) the City Note, and all other promissory notes given in substitution therefor or in modification, supplement, increase, renewal, or extension thereof, in whole or in part (such promissory note or promissory notes, whether one (1) or more, as from time-to-time renewed, extended, supplemented, increased, or modified and all other notes given in substitution therefor, or in modification, renewal or extension thereof, in whole or in part, being hereinafter called the "**Promissory Notes**," and City, or the subsequent holder at the time in question of the Promissory Notes or any of the Secured Indebtedness, as hereinafter defined, being herein collectively called "**Holder**");

(b) all indebtedness, liabilities, duties, covenants, promises, and other obligations whether joint or several, direct or indirect, fixed or contingent, liquidated or unliquidated, and the cost of collection of all such amounts, owed by Grantor to Holder now or hereafter incurred or arising pursuant to or permitted by the provisions of the Promissory Notes, this City Deed of Trust, the Loan Agreement, the Affordable Housing Covenants, or any other document now or hereafter evidencing, governing, guaranteeing, securing, or otherwise executed in connection with City Loan, including, but not limited to, any loan or credit agreement, letter of credit, or reimbursement agreement, tri-party financing agreement, or other agreement between Grantor and Holder, or among Grantor, Holder and any other party or parties, pertaining to the repayment or use of the proceeds of the City Loan (the Promissory Notes, this City Deed of Trust, the Loan Agreement, the Affordable Housing Covenants, and such other documents relating to the Promissory Notes, as they or any of them may have been or may be from time-to-time renewed, extended, supplemented, increased, or modified, being herein sometimes collectively called the "**Loan Documents**");

(c) all other loans and future advances made by Holder to the Grantor and all other debts, obligations, and liabilities of the Grantor of every kind and character now or hereafter existing in favor of Holder, whether direct or indirect, primary or secondary, joint or several, fixed or contingent, secured or unsecured, and whether originally payable to Holder or to a third-party and subsequently acquired by Holder, it being contemplated that the Grantor may hereafter become indebted to Holder for such further debts, obligations, and liabilities; provided, however, and notwithstanding the foregoing provisions of this clause (c), this City Deed of Trust shall not secure any such other loan, advance, debt, obligation, or liability with respect to which Holder is by applicable law prohibited from obtaining a lien on real estate, nor shall this clause (c) operate or be effective to constitute or require any assumption or payment by any person, in any way, of any debt of any other person to the extent that the same would violate or exceed the limit provided in any applicable usury or other law.

ARTICLE 2 **Representations, Warranties and Covenants**

Section 2.1. Each of Rental Grantor and Homeownership Grantor represents, warrants, and covenants, with respect to the Loan Documents to which Rental Grantor or Homeownership Grantor is a party, and with respect to the Property owned by Rental Grantor or Homeownership

Grantor, as follows:

(a) Payment and Performance. The City Loan shall be repaid to the Holder as provided in the City Note. The entire principal amount of the City Note shall be due and payable on the Maturity Date (as defined in the City Note). The City Loan may be forgiven in the sole discretion of the City at the end of the Deferral Period (as defined in the City Note), if the Grantor is in compliance with the terms of the Loan Documents. Grantor will timely and properly perform and comply with all of the covenants, agreements, and conditions imposed upon it by this City Deed of Trust and the other Loan Documents and will not permit a default to occur hereunder or thereunder. Time shall be of the essence in this City Deed of Trust.

(b) Title and Permitted Encumbrances. The Grantor covenants to maintain, lawful, good and marketable title to the Property, the Grantor is lawfully seized and possessed of the Property and every part thereof, as described above, and has the right to convey the same, free and clear of all liens, charges, claims, security interests, and encumbrances except for (i) the liens and security interests evidenced by this City Deed of Trust, (ii) statutory liens for real estate taxes and assessments on the Property which are not yet delinquent, and (iii) other liens and security interests (if any) in favor of the City (the matters described in the foregoing clauses (i), (ii), and (iii) being herein called the "**Permitted Encumbrances**"). Grantor, and Grantor's successors and assigns, will warrant and forever defend title to the Property, subject as aforesaid, to Trustee and his successors or substitutes and assigns, against the claims and demands of all persons claiming or to claim the same or any part thereof through Grantor. Grantor will punctually pay, perform, observe, and keep all covenants, obligations, and conditions in or pursuant to any Permitted Encumbrance and will not modify or permit modification of any Permitted Encumbrance without the prior written consent of Holder, other than the documents related to any senior debt. Inclusion of any matter as a Permitted Encumbrance does not constitute approval or waiver by Holder of any existing or future violation or other breach thereof by Grantor, by the Property or otherwise. No part of the Property constitutes all or any part of the principal residence of Grantor if Grantor is an individual. If any right or interest of Holder in the Property or any part thereof shall be endangered or questioned or shall be attacked directly or indirectly, Trustee and Holder, or either of them (whether or not named as parties to legal proceedings with respect thereto), are hereby authorized and empowered to take such steps as in their discretion may be proper for the defense of any such legal proceedings or the protection of such right or interest of Holder, including, but not limited to, the employment of independent counsel, the prosecution or defense of litigation, and the compromise or discharge of adverse claims. All expenditures so made of every kind and character shall be a demand obligation (which obligation Grantor hereby promises to pay) owing by Grantor to Holder or Trustee (as the case may be), and the party (Holder or Trustee, as the case may be) making such expenditures shall be subrogated to all rights of the person receiving such payment.

(c) Taxes and Other Impositions. Grantor will pay, or cause to be paid, all taxes, assessments, and other charges or levies imposed upon or against or with respect to the Property or the ownership, use, occupancy, or enjoyment of any portion thereof, or any utility service thereto, as the same become due and payable, including, but not limited to, all real estate taxes assessed against the Property or any part thereof, and shall deliver promptly to Holder such evidence of the payment thereof as Holder may require.

(d) Insurance.

(i) Grantor covenants and agrees that Grantor shall maintain the following insurance:

1. To the extent required by law, Workers' Compensation insurance in accordance with the Virginia Workers' Compensation Act and employer's liability to \$100,000.00 per accident/\$100,000.00 per disease/\$500,000.00 disease policy limit; and

2. Commercial General Liability insurance with limits not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate, including coverage for contractual liability, personal injury, broad form of property damage, products, and completed operations; and

3. Automobile Liability insurance with limits not less than \$1,000,000.00, including coverage for owned, non-owned and hired vehicles, as applicable; provided, however, that if the Grantor does not own or lease vehicles for purposes of this City Deed of Trust, then no automobile insurance shall be required; and

4. All Risk with specified exclusions/Property and Fire insurance covering the entire Property for full replacement value.

5. Crime insurance, to include employee dishonesty, in the amount of \$250,000.00 per occurrence, with a deductible not to exceed \$25,000.00.

(ii) In addition to the insurance foregoing, prior to commencing the Project, the Grantor shall maintain coverage of the type now known as builder's completed value risk insurance, as delineated on a Builder's Risk 100% Value Non-Reporting Form. Such insurance shall insure against direct physical loss or damage by fire, lightning wind, storm, explosion, collapse, earth movement, land movement or earthquake, flood, vandalism, malicious mischief, glass breakage, and such other causes as are covered by such form of insurance. Such policy shall include (A) a "Replacement Cost Endorsement" in amount not less than 100% of the then full replacement cost, to be determined at least once annually and subject to reasonable approval by the City, and (B) an endorsement to include coverage for budgeted soft costs (including gap loan interest, building permit fees, construction inspection fees, builder's risk insurance, and property taxes during construction and/or renovation). The replacement cost coverage shall be for work performed and equipment, supplies, and materials furnished to and which will become part of the Property without deduction for physical depreciation and with a deductible not exceeding \$50,000.00 per occurrence.

(iii) All insurance required by this City Deed of Trust shall be with a company reasonably acceptable to the City and authorized to transact business in the Commonwealth of Virginia. The required insurance shall be provided under an occurrence form and shall be maintained continuously so long as any City Promissory Note relating to this City Deed of Trust is outstanding. Any liability policy purchased by the Grantor on a claims-made basis must remain in force or be extended for a period of two (2) years after the final payment of the City Promissory Note purchasing an extended reporting period endorsement. Evidence of such endorsement shall be provided on a certificate or a copy of the endorsement itself. Should any of

the required insurance be provided under a form of coverage that includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be three (3) times the occurrence limits specified above.

(iv) Commercial, General Liability, All Risk with specified exclusions/Property, Fire and Automobile Liability insurance policies shall be endorsed to name as an "Additional Insured" the City, and its respective officers, agents, and employees and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the City and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the City's insurance.

(v) Grantor shall deliver certificates of insurance to the City showing that Grantor has in effect the insurance required by this City Deed of Trust. The Grantor shall deliver a new or amended certificate of insurance promptly after any change is made in any insurance policy which would alter the information on the certificate previously delivered to the City.

(vi) All policies and bonds shall be endorsed to provide thirty (30) days prior written notice to the City of cancellation, reduction in coverage, or intent not to renew ten ((10) days for cancellation due to nonpayment of premium) and such written notice shall be provided to the address for notices to the City.

(vii) Grantor covenants and agrees that during the pendency of the Affordable Housing Covenants recorded against the Property, Grantor and any successor shall use any insurance proceeds awarded to repair or replace any damage to the Property, if such repair or replacement is feasible.

(e) **Condemnation.** Grantor shall notify Holder promptly of any threatened or pending proceeding for condemnation affecting the Property or arising out of damage to the Property, and Grantor shall, at Grantor's expense, diligently prosecute any such proceedings. Holder, subject to the rights of senior lien holders, shall have the right (but not the obligation) to participate in any such proceeding and to be represented by counsel of its own choice. Holder, subject to the rights of senior lien holders, shall be entitled to receive all sums which may be awarded or become payable to Grantor for the condemnation of the Property, or any part thereof, for public or quasi-public use, or by virtue of private sale in lieu thereof, and any sums which may be awarded or become payable to Grantor for injury or damage to the Property. Grantor shall, promptly upon request of Holder, execute such additional assignments and other documents as may be necessary from time-to-time to permit such participation and to enable Holder to collect and receipt for any such sums. All such sums are hereby assigned to Holder, and shall, after deduction therefrom of all reasonable expenses actually incurred by Holder, including reasonable attorneys' fees, at Holder's option be (1) released to Grantor, or (2) applied (upon compliance with such terms and conditions as may be reasonably required by Holder) to repair or restoration of the Property so affected, or (3) applied to the payment of the Secured Indebtedness in such order and manner as Holder, in its sole discretion, may elect, whether or not due; provided, however, that during the fifteen (15)-year compliance period of the Property in accordance with the federal low-income housing tax credit program, if applicable, such sums shall be applied to repair or restoration

unless such repair or restoration is not feasible. In any event the unpaid portion of the Secured Indebtedness shall remain in full force and effect and the payment thereof shall not be excused. Holder shall not be, under any circumstances, liable or responsible for failure to collect or to exercise diligence in the collection of any such sum or for failure to see to the proper application of any amount paid over to Grantor. Holder is hereby authorized, in the name of Grantor, to execute and deliver valid acquittances for, and to appeal from, any such award, judgment, or decree. All costs and expenses (including but not limited to reasonable attorneys' fees) incurred by Holder in connection with any condemnation shall be a demand obligation owing by Grantor (which Grantor hereby promises to pay) to Holder pursuant to this City Deed of Trust.

(f) Compliance with Legal Requirements. The Property and the use, operation, and maintenance thereof and all activities thereon do and shall at all times comply with all applicable Legal Requirements (hereinafter defined). The Property is not, and shall not be, dependent on any other property or premises or any interest therein other than the Property to fulfill any requirement of any Legal Requirement. Grantor shall not, by act or omission, permit any building or other improvement not subject to the lien of this City Deed of Trust to rely on the Property or any interest therein to fulfill any requirement of any Legal Requirement. No improvement upon or use of any part of the Property constitutes a nonconforming use under any zoning law or similar law or ordinance. Grantor has obtained and shall preserve in force all requisite zoning, utility, building, health, environmental, and operating permits from the governmental authorities having jurisdiction over the Property.

If Grantor receives a notice or claim from any person that the Property, or any use, activity, operation, or maintenance thereof or thereon, is not in compliance with any Legal Requirement, Grantor will promptly furnish a copy of such notice or claim to Holder. Grantor has received no notice and has no knowledge of any such noncompliance. As used in this City Deed of Trust: (i) the term "**Legal Requirement**" means any Law (hereinafter defined), agreement, covenant, restriction, easement, or condition (including, without limitation of, the foregoing, any condition or requirement imposed by any insurance or surety company), as any of the same now exists or may be changed or amended or come into effect in the future; and (ii) the term "Law" means any applicable federal, state, or local law, statute, ordinance, code, rule, regulation, license, permit, authorization, decision, order, injunction, or decree, domestic or foreign.

(g) Maintenance, Repair and Restoration. Grantor will keep the Property in good order, repair, operating condition, and appearance in accordance with industry standards for similar affordable residential projects, causing all necessary repairs, renewals, replacements, additions, and improvements to be promptly made, and will not allow any of the Property to be misused, abused, or wasted or to deteriorate. Notwithstanding the foregoing, Grantor will not, without the prior written consent of Holder, (i) remove from the Property any fixtures or personal property covered by this City Deed of Trust, except such as is replaced by Grantor by an article of equal suitability and value, owned by Grantor, free and clear of any lien or security interest (except that created by this City Deed of Trust), or (ii) make any structural alteration to the Property or any other alteration thereto which impairs the value thereof. If any act or occurrence of any kind or nature (including any condemnation or any casualty for which insurance was not obtained or obtainable) shall result in damage to or loss or destruction of the Property, Grantor shall give prompt notice thereof to Holder and Grantor shall promptly, at Grantor's sole cost and expense and regardless of whether insurance or condemnation proceeds (if any) shall be available or sufficient

for the purpose, secure the Property as necessary and commence and continue diligently to completion to restore, repair, replace, and rebuild the Property as nearly as possible to its value, condition and character immediately prior to the damage, loss, or destruction.

(h) No Other Liens. Grantor will not, without the prior written consent of Holder, create, place, or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any deed of trust, mortgage, voluntary or involuntary lien, whether statutory, constitutional or contractual, security interest, encumbrance, or charge, or conditional sale or other title retention document, against or covering the Property, or any part thereof, other than the Permitted Encumbrances, regardless of whether the same are expressly or otherwise subordinate to the lien or security interest created in this City Deed of Trust, and should any of the foregoing become attached hereafter in any manner to any part of the Property without the prior written consent of Holder, Grantor will cause the same to be promptly discharged and released. Grantor will own all parts of the Property and will not acquire any fixtures, equipment, or other property (including software embedded therein) forming a part of the Property pursuant to a lease, license, security agreement, or similar agreement, whereby any party has or may obtain the right to repossess or remove same, without the prior written consent of the Holder. If Holder consents to the voluntary grant by Grantor of any deed of trust, lien, security interest, or other encumbrance (hereinafter called "**Subordinate Lien**") covering any of the Property, or if the foregoing prohibition is determined by a court of competent jurisdiction to be unenforceable as to a Subordinate Lien, any such Subordinate Lien shall contain express covenants to the effect that: (1) the Subordinate Lien is unconditionally subordinate to this City Deed of Trust and all Leases (hereinafter defined); (2) if any action (whether judicial or pursuant to a power of sale) shall be instituted to foreclose or otherwise enforce the Subordinate Lien, no tenant of any of the Leases (hereinafter defined) shall be named as a party defendant, and no action shall be taken that would terminate any occupancy or tenancy without the prior written consent of Holder; (3) Rents (hereinafter defined), if collected by or for the holder of the Subordinate Lien, shall be applied first to the payment of the Secured Indebtedness then due and expenses incurred in the ownership, operation, and maintenance of the Property in such order as Holder may determine, prior to being applied to any indebtedness secured by the Subordinate Lien; (4) written notice of default under the Subordinate Lien and written notice of the commencement of any action (whether judicial or pursuant to a power of sale) to foreclose or otherwise enforce the Subordinate Lien or to seek the appointment of a receiver for all or any part of the Property shall be given to Holder with or promptly after the occurrence of any such default or commencement; and (5) neither the holder of the Subordinate Lien, nor any purchaser at foreclosure thereunder, nor anyone claiming by, through or under any of them shall succeed to any of Grantor's rights hereunder without the prior written consent of Holder. Notwithstanding the foregoing, the lien of this City Deed of Trust shall be subordinate to the lien of any senior debt.

(i) Operation of Property. Grantor will operate the Property in a good and workmanlike manner and in accordance with all Legal Requirements and will pay all fees or charges of any kind in connection therewith. Grantor will keep the Property occupied so as not to impair the insurance carried thereon. Grantor will not use or occupy or conduct any activity on, or, using commercially reasonable efforts, allow the use or occupancy of or the conduct of any activity on, the Property in any manner which violates any Legal Requirement or which constitutes a public or private nuisance or which makes void, voidable, or cancelable, or increases the premium of, any insurance then in force with respect thereto. Grantor will not initiate or consent

to any zoning reclassification of the Property or seek any variance under existing zoning ordinances applicable to the Property or use or permit the use of the Property in such a manner which would result in such use becoming a nonconforming use under applicable zoning ordinances or other Legal Requirement. Grantor will not impose any easement (other than utility easements in the ordinary course of the operation of the Property), restrictive covenant or encumbrance upon the Property, execute or file any subdivision plat or condominium declaration affecting the Property or consent to the annexation of the Property to any municipality, without the prior written consent of Holder. Grantor will preserve, protect, renew, extend, and retain all material rights and privileges granted for or applicable to the Property. Without the prior written consent of Holder, there shall be no drilling or exploration for or extraction, removal, or production of any mineral, hydrocarbon, gas, natural element, compound, or substance (including sand and gravel) from the surface or subsurface of the Land regardless of the depth thereof or the method of mining or extraction thereof. Grantor will cause all debts and liabilities of any character (including without limitation all debts and liabilities for labor, material, and equipment (including software embedded therein) and all debts and charges for utilities servicing the Property) incurred in the construction, maintenance, operation, and development of the Property to be promptly paid, except to the extent Grantor is contesting the same in good faith.

(j) Further Assurances. Grantor will, promptly on request of Holder, (i) correct any defect, error, or omission which may be discovered in the contents, execution, or acknowledgment of this City Deed of Trust or any other Loan Document; (ii) execute, acknowledge, deliver, procure, and record and/or file such further documents (including, without limitation, further deeds of trust, security agreements, and assignments of rents or leases) and do such further acts as may be necessary, desirable, or proper in the reasonable determination of Holder to carry out more effectively the purposes of this City Deed of Trust and the other Loan Documents, to more fully identify and subject to the liens and security interests hereof any property intended to be covered hereby (including specifically, but without limitation, any renewals, additions, substitutions, replacements, or appurtenances to the Property) or as deemed advisable by Holder to protect the lien or the security interest hereunder against the rights or interests of third persons; and (iii) provide such certificates, documents, reports, information, affidavits, and other instruments and do such further acts as may be necessary, desirable or proper in the reasonable determination of Holder to enable Holder to comply with the requirements or requests of any agency having jurisdiction over Holder or any examiners of such agencies with respect to the indebtedness secured hereby, Grantor or the Property. Grantor shall pay all costs connected with any of the foregoing, which shall be a demand obligation owing by Grantor (which Grantor hereby promises to pay) to Holder pursuant to this City Deed of Trust.

(k) Indemnification. Grantor shall indemnify, defend, and hold Holder, Trustee, and respective City council members, officers, employees, agents, successors, and assigns harmless from and against: (a) any and all claims, liabilities and losses whatsoever (together with any expenses related thereto, including, but not limited to, damages, court costs, and reasonable attorneys' fees) occurring to or resulting from any and all persons, firms, or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this City Deed of Trust, (b) any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with Grantor's performance of this City Deed of Trust, including, but not limited to, any such claims, liabilities, or losses which occur on or adjacent to the Property, and (c) such claims, liabilities, or losses which

arise out of the renovation, construction, and operation of the Property. “**Grantor’s performance**” includes Grantor’s action or inaction and the action or inaction of Grantor’s officers, employees, agents, contractors, and subcontractors. This indemnification and hold harmless obligation shall not extend to any claim to the extent arising out of the gross negligence or willful misconduct of Holder, Trustee, or respective City employees and agents. The provision of this Section 2.1(k) shall survive the expiration of the Term or other termination of the Loan Agreement and the re-conveyance of this City Deed of Trust.

Section 2.2. Performance by Holder on Grantor's Behalf. Grantor agrees that, if Grantor fails to perform any act or to take any action which under any Loan Document Grantor is required to perform or take, or to pay any money which under any Loan Document Grantor is required to pay, and whether or not the failure then constitutes a default hereunder or thereunder, and whether or not there has occurred any default or defaults hereunder or the Secured Indebtedness has been accelerated, Holder, after giving at least two (2) business days’ prior notice to the Grantor, in Grantor’s name or its own name, may, but shall not be obligated to, perform or cause to be performed such act or take such action or pay such money, and any expenses so incurred by Holder and any money so paid by Holder shall be a demand obligation owing by Grantor to Holder (which obligation Grantor hereby promises to pay), shall be a part of the indebtedness secured hereby, and Holder, upon making such payment, shall be subrogated to all of the rights of the person, entity, or body politic receiving such payment. Holder, and its designees, shall have the right to enter upon the Property at any time and from time-to-time for any such purposes. No such payment or performance by Holder shall waive or cure any default or waive any right, remedy, or recourse of Holder. Any such payment may be made by Holder in reliance on any statement, invoice, or claim without inquiry into the validity or accuracy thereof. Each amount due and owing by Grantor to Holder pursuant to this City Deed of Trust shall bear interest, from the date such amount becomes due until paid, at the rate per annum provided in the Promissory Notes for interest on past due principal owed on the Promissory Notes, but never in excess of the maximum nonusurious amount permitted by applicable law, which interest shall be payable to Holder on demand; and all such amounts, together with such interest thereon, shall automatically and without notice be a part of the indebtedness secured hereby. The amount and nature of any expense by Holder hereunder and the time when paid shall be fully established by the certificate of Holder or any of Holder’s officers or agents.

Section 2.3. Absence of Obligations of Holder with Respect to Property. Notwithstanding anything in this City Deed of Trust to the contrary, including, without limitation, the definition of "Property" and/or the provisions of Article 3 hereof, (i) to the extent permitted by applicable law, the Property is composed of Grantor’s rights, title, and interests therein, but not Grantor’s obligations, duties, or liabilities pertaining thereto, (ii) Holder neither assumes nor shall have any obligations, duties or liabilities in connection with any portion of the items described in the definition of "Property" herein, either prior to or after obtaining title to such Property, whether by foreclosure sale, the granting of a deed in lieu of foreclosure or otherwise, and (iii) Holder may, at any time prior to or after the acquisition of title to any portion of the Property as above described, advise any party in writing as to the extent of Holder’s interest therein and/or expressly disaffirm in writing any rights, interests, obligations, duties, and/or liabilities with respect to such Property or matters related thereto. Without limiting the generality of the foregoing, it is understood and agreed that Holder shall have no obligations, duties, or liabilities prior to or after acquisition of title to any portion of the Property, as lessee under any lease or purchaser or seller under any

contract or option unless Holder elects otherwise by written notification.

Section 2.4. Authorization to File Financing Statements; Power of Attorney.

Grantor hereby authorizes Holder at any time and from time-to-time to file any initial financing statements, amendments thereto, and continuation statements as authorized by applicable law, reasonably required by Holder to establish or maintain the validity, perfection, and priority of the security interests granted in this City Deed of Trust. For purposes of such filings, Grantor agrees to furnish any information reasonably requested by Holder promptly upon request by Holder. Grantor also ratifies its authorization for Holder to have filed any like initial financing statements, amendments thereto or continuation statements if filed prior to the date of this City Deed of Trust. Grantor hereby irrevocably constitutes and appoints Holder and any officer or agent of Holder, with full power of substitution, as its true and lawful attorneys-in-fact with full irrevocable power and authority in the place and stead of Grantor or in Grantor's own name to execute in Grantor's name any such documents and to otherwise carry out the purposes of this Section 2.4, to the extent that Grantor's authorization above is not sufficient. To the extent permitted by law, Grantor hereby ratifies all acts said attorneys-in-fact shall lawfully do, have done in the past or cause to be done in the future by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

ARTICLE 3
Assignment of Rents and Leases

Section 3.1. Assignment. Rental Grantor hereby assigns to Holder all Rents (hereinafter defined) and all of Rental Grantor's rights in and under all Leases (hereinafter defined). So long as no Default (hereinafter defined) has occurred and is continuing, Rental Grantor shall have a license (which license shall terminate automatically and without further notice upon the occurrence of a Default) to collect, but not prior to accrual, the Rents under the Leases and, where applicable, subleases, such Rents to be held in trust for Holder, and to otherwise deal with all Leases as permitted by this City Deed of Trust. Each month, provided no Default has occurred and is continuing, Rental Grantor may retain such Rents as were collected that month and held in trust for Holder; provided, however, that all Rents collected by Rental Grantor shall be applied solely to the ordinary and necessary expenses of owning and operating the Rental Property, paid to Holder or as otherwise set forth in the Loan Agreement. Upon the revocation of such license, all Rents shall be paid directly to Holder and not through the Rental Grantor, all without the necessity of any further action by Holder, including, without limitation, any action to obtain possession of the Land, Improvements, or any other portion of the Rental Property or any action for the appointment of a receiver. Rental Grantor hereby authorizes and directs the tenants under the Leases to pay Rents to Holder upon written demand by Holder, without further consent of Rental Grantor, without any obligation of such tenants to determine whether a Default has in fact occurred and regardless of whether Holder has taken possession of any portion of the Rental Property, and the tenants may rely upon any written statement delivered by Holder to the tenants. Any such payments to Holder shall constitute payments to Rental Grantor under the Leases, and Rental Grantor hereby irrevocably appoints Holder as its attorney-in-fact to do all things, after a Default, which Rental Grantor might otherwise do with respect to the Rental Property and the Leases thereon, including, without limitation, (i) collecting Rents with or without suit and applying the same, less expenses of collection, to any of the obligations secured hereunder or to expenses of operating and maintaining the Rental Property (including reasonable reserves for anticipated

expenses), at the option of the Holder, all in such manner as may be determined by Holder, or at the option of Holder, holding the same as security for the payment of the Secured Obligations, (ii) leasing, in the name of Rental Grantor, the whole or any part of the Rental Property which may become vacant, and (iii) employing agents therefor and paying such agents reasonable compensation for their services. The curing of such Default, unless other Defaults also then exist, shall entitle Rental Grantor to recover its aforesaid license to do any such things which Rental Grantor might otherwise do with respect to the Rental Property and the Leases thereon and to again collect such Rents. The powers and rights granted in this paragraph shall be in addition to the other remedies herein provided for upon the occurrence of a Default and may be exercised independently of or concurrently with any of said remedies. Nothing in the foregoing shall be construed to impose any obligation upon Holder to exercise any power or right granted in this paragraph or to assume any liability under any Lease of any part of the Rental Property and no liability shall attach to Holder for failure or inability to collect any Rents under any such Lease. The assignment contained in this Section shall become null and void upon the release of this City Deed of Trust. As used herein: (i) "Lease" means each existing or future lease, sublease (to the extent of Rental Grantor's rights thereunder) or other agreement under the terms of which any person has or acquires any right to occupy or use the Rental Property, or any part thereof, or interest therein, and each existing or future guaranty of payment or performance thereunder, and all extensions, renewals, modifications, and replacements of each such lease, sublease, agreement, or guaranty; and (ii) "Rents" means all of the rents, revenue, income, profits, and proceeds derived and to be derived from the Rental Property or arising from the use or enjoyment of any portion thereof or from any Lease, including, but not limited to, the proceeds from any negotiated lease termination or buyout of such Lease, liquidated damages following default under any such Lease, all proceeds payable under any policy of insurance covering loss of rents resulting from untenantability caused by damage to any part of the Rental Property, all of Rental Grantor's rights to recover monetary amounts from any tenant in bankruptcy including, without limitation, rights of recovery for use and occupancy and damage claims arising out of Lease defaults, including rejections, under any applicable Debtor Relief Law, together with any sums of money that may now or at any time hereafter be or become due and payable to Rental Grantor by virtue of any and all royalties, overriding royalties, bonuses, delay rentals, and any other amount of any kind or character arising under any and all present and all future oil, gas, mineral, and mining leases covering the Rental Property or any part thereof, and all proceeds and other amounts paid or owing to Rental Grantor under or pursuant to any and all contracts and bonds relating to the construction or renovation of the Rental Property.

Section 3.2. No Liability of Holder. Holder's acceptance of this assignment shall not be deemed to constitute Holder a "mortgagee in possession," nor obligate Holder to appear in or defend any proceeding relating to any Lease or to the Rental Property, or to take any action hereunder, expend any money, incur any expenses, or perform any obligation or liability under any Lease, or assume any obligation for any deposit delivered to Rental Grantor by any tenant and not as such delivered to and accepted by Holder. Holder shall not be liable for any injury or damage to person or property in or about the Rental Property, or for Holder's failure to collect or to exercise diligence in collecting Rents but shall be accountable only for Rents that it shall actually receive. Neither the assignment of Leases and Rents, nor enforcement of Holder's rights regarding Leases and Rents (including collection of Rents), nor possession of the Property by Holder nor Holder's consent to or approval of any Lease (nor all of the same), shall render Holder liable on any obligation under or with respect to any Lease or constitute affirmation of, or any subordination

to, any Lease, occupancy, use, or option.

If Holder seeks or obtains any judicial relief regarding Rents or Leases, the same shall in no way prevent the concurrent or subsequent employment of any other appropriate rights or remedies nor shall same constitute an election of judicial relief for any foreclosure or any other purpose. Holder neither has nor assumes any obligations as lessor or landlord with respect to any Lease. The rights of Holder under this Article 3 shall be cumulative of all other rights of Holder under the Loan Documents or otherwise.

ARTICLE 4 Default

Section 4.1. Events of Default. The occurrence of any one of the following shall be a default under this City Deed of Trust ("Event of Default" or "Default"):

- (a) on the date of any Uncured Event of Default (as defined in the Loan Agreement) on the City Loan;
- (b) upon the insolvency or dissolution of the Grantor;
- (c) on the date of any foreclosure of the Project; or
- (d) upon the sale or transfer of the property, or any portion(s) thereof, to any person other than a related entity, or other assignee, who has been approved by the Holder in advance. For purposes of this City Deed of Trust, the term "related entity" means any transferee that is controlled by the Grantor, PHA, or both.

ARTICLE 5 Remedies

Section 5.1. Certain Remedies. If a Default shall occur, Holder may (but shall have no obligation to) exercise any one (1) or more of the following remedies, without notice (unless notice is required by applicable statute):

(a) **Acceleration.** Holder may at any time and from time-to-time declare any or all of the Secured Indebtedness immediately due and payable. Upon any such declaration, such Secured Indebtedness shall thereupon be immediately due and payable, without presentment, demand, protest, notice of protest, notice of acceleration, or of intention to accelerate or any other notice or declaration of any kind, all of which are hereby expressly waived by Grantor.

(b) **Enforcement of Assignment of Rents.** In addition to the rights of Holder under Article 3 hereof, prior or subsequent to taking possession of any portion of the Property or taking any action with respect to such possession, Holder may: (1) collect and/or sue for the Rents in Holder's own name, give receipts and releases therefor, and after deducting all expenses of collection, including reasonable attorneys' fees and expenses, apply the net proceeds thereof to the Secured Indebtedness in such manner and order as Holder may elect and/or to the operation and management of the Property, including the payment of management, brokerage and attorney's fees and expenses; and (2) require Rental Grantor to transfer all security deposits and records thereof

to Holder together with original counterparts of the Leases.

(c) Foreclosure. Grantor hereby authorizes and empowers the Trustee, or his successor or substitute, and it shall be his special duty at the request of Holder to take possession of and/or to sell the Property or any part thereof. Prior to any sale of the Property by Trustee, Trustee shall notify Grantor in accordance with all applicable laws. In the event of a postponement of any sale of the Property, which may be done in the sole discretion of Trustee, no new or additional notice need be given by Trustee to Grantor for the next scheduled sale of the Property. Any sale made by Trustee hereunder may be as an entirety or in such parcels as Holder may request at such time and place, and after such previous public advertisement as Trustee shall deem advantageous and proper and at such times and containing such information as required by applicable laws and rules, without regard to any right of the Grantor or any other person to the marshalling of assets. Public advertisement prior to foreclosure sale of the time, place and terms of sale by publication once a week for two (2) weeks or once a day for three (3) days, which may be consecutive, in a newspaper published or having a general circulation in the city or county in which the Property to be sold, or any portion thereof is located shall be sufficient. Except as may be required by Virginia Code § 58.1-3340, no purchaser of the Property shall be required to see to the proper application of the purchase money. To the extent permitted by applicable law, any sale may be adjourned by announcement at the time and place appointed for such sale without further notice except as may be required by law. The sale by Trustee of less than the whole of the Property shall not exhaust the power of sale herein granted, and Trustee is specifically empowered to make successive sale or sales under such power until the whole of the Property shall be sold; and, if the proceeds of such sale of less than the whole of the Property shall be less than the aggregate of the Secured Indebtedness and the expense of executing this trust as provided herein, this City Deed of Trust and the lien hereof shall remain in full force and effect as to the unsold portion of the Property just as though no sale had been made; provided, however, that Grantor shall never have any right to require the sale of less than the whole of the Property, but Holder shall have the right, at its sole election, to request Trustee to sell less than the whole of the Property. Trustee may, after any request or direction by Holder, sell not only the real property, but also the Collateral and other interests which are a part of the Property, or any part thereof, as a unit and as a part of a single sale, or may sell any part of the Property separately from the remainder of the Property. It shall not be necessary for Trustee to have taken possession of any part of the Property or to have present or to exhibit at any sale any of the Collateral. After each sale, Trustee shall make to the purchaser or purchasers at such sale good and sufficient conveyances, conveying the property so sold to the purchaser or purchasers in fee simple, subject to the Permitted Encumbrances (and to such leases and other matters, if any, as Trustee may elect upon request of Holder), and shall receive the proceeds of said sale or sales and apply the same as herein provided. Payment of the purchase price to the Trustee shall satisfy the obligation of purchaser at such sale therefor, and such purchaser shall not be responsible for the application thereof. The power of sale granted herein shall not be exhausted by any sale held hereunder by Trustee or his substitute or successor, and such power of sale may be exercised from time to time and as many times as Holder may deem necessary until all of the Property has been duly sold and all Secured Indebtedness has been fully paid. In the event any sale hereunder is not completed or is defective in the opinion of Holder, such sale shall not exhaust the power of sale hereunder and Holder shall have the right to cause a subsequent sale or sales to be made hereunder. Any and all statements of fact or other recitals made in any deed or deeds or other conveyances given by Trustee or any successor or substitute appointed hereunder as to nonpayment of the Secured Indebtedness or as to the occurrence of any

default, or as to Holder's having declared all of said indebtedness to be due and payable, or as to the request to sell, or as to notice of time, place and terms of sale and the properties to be sold having been duly given, or as to the refusal, failure, or inability to act of Trustee or any substitute or successor trustee, or as to the appointment of any substitute or successor trustee, or as to any other act or thing having been duly done by Holder or by such Trustee, substitute or successor, shall be taken as *prima facie* evidence of the truth of the facts so stated and recited. The Trustee or his successor or substitute may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Trustee, including the posting of notices and the conduct of sale, but in the name and on behalf of Trustee, his successor or substitute. If Trustee or his successor or substitute shall have given notice of sale hereunder, any successor or substitute Trustee thereafter appointed may complete the sale and the conveyance of the property pursuant thereto as if such notice had been given by the successor or substitute Trustee conducting the sale.

(d) Uniform Commercial Code. Without limitation of Holder's rights of enforcement with respect to the Collateral or any part thereof in accordance with the procedures for foreclosure of real estate, Holder may exercise its rights of enforcement with respect to the Collateral or any part thereof under the Virginia Uniform Commercial Code, as in effect from time-to-time (or under the Uniform Commercial Code in force, from time-to-time, in any other state to the extent the same is applicable law) and in conjunction with, in addition to or in substitution for those rights and remedies: (1) Holder may enter upon Grantor's premises to take possession of, assemble and collect the Collateral or, to the extent and for those items of the Collateral permitted under applicable law, to render it unusable; (2) Holder may require Grantor to assemble the Collateral and make it available at a place Holder designates which is mutually convenient to allow Holder to take possession or dispose of the Collateral; (3) written notice mailed to Grantor as provided herein at least five (5) days prior to the date of public sale of the Collateral or prior to the date after which private sale of the Collateral will be made shall constitute reasonable notice; provided that, if Holder fails to comply with this clause (3) in any respect, its liability for such failure shall be limited to the liability (if any) imposed on it as a matter of law under the Virginia Uniform Commercial Code, as in effect from time-to-time (or under the Uniform Commercial Code, in force from time-to-time, in any other state to the extent the same is applicable law); (4) any sale made pursuant to the provisions of this paragraph shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with and upon the same notice as required for the sale of the Property under power of sale as provided in paragraph (c) above in this Section 5.1; (5) in the event of a foreclosure sale, whether made by Trustee under the terms hereof, or under judgment of a court, the Collateral and the other Property may, at the option of Holder, be sold as a whole; (6) it shall not be necessary that Holder take possession of the Collateral or any part thereof prior to the time that any sale pursuant to the provisions of this Section is conducted and it shall not be necessary that the Collateral or any part thereof be present at the location of such sale; (7) with respect to application of proceeds from disposition of the Collateral under Section 5.2 hereof, the costs and expenses incident to disposition shall include the reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like, and the reasonable attorneys' fees and legal expenses (including, without limitation, the allocated costs for in-house legal services) incurred by Holder; (8) any and all statements of fact or other recitals made in any bill of sale or assignment or other instrument evidencing any foreclosure sale hereunder as to nonpayment of the Secured Indebtedness or as to the occurrence of any default, or as to Holder having declared all of such indebtedness to be due

and payable, or as to notice of time, place, and terms of sale and of the properties to be sold having been duly given, or as to any other act or thing having been duly done by Holder, shall be taken as prima facie evidence of the truth of the facts so stated and recited; (9) Holder may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Holder, including the sending of notices and the conduct of the sale, but in the name and on behalf of Holder; (10) Holder may comply with any applicable state or federal law or regulatory requirements in connection with a disposition of the Collateral, and such compliance will not be considered to affect adversely the commercial reasonableness of any sale of the Collateral; (11) Holder may sell the Collateral without giving any warranties as to the Collateral, and specifically disclaim all warranties including, without limitation, warranties relating to title, possession, quiet enjoyment and the like, and all warranties of quality, merchantability, and fitness for a specific purpose, and this procedure will not be considered to affect adversely the commercial reasonableness of any sale of the Collateral; (12) Grantor acknowledges that a private sale of the Collateral may result in less proceeds than a public sale; and (13) Grantor acknowledges that the Collateral may be sold at a loss to Grantor, and that, in such event, Holder shall have no liability or responsibility to Grantor for such loss.

(e) **Lawsuits.** Holder may proceed by a suit or suits in equity or at law, whether for collection of the indebtedness secured hereby, the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for any foreclosure hereunder or for the sale of the Property under the judgment or decree of any court or courts of competent jurisdiction. Grantor hereby assents to the passage of a decree for the sale of the Property by any equity court having jurisdiction.

(f) **Entry on Property.** Holder is authorized, prior or subsequent to the institution of any foreclosure proceedings, to the fullest extent permitted by applicable law, to enter upon the Property, or any part thereof, and to take possession of the Property and all books and records, and all recorded data of any kind or nature, regardless of the medium of recording including, without limitation, all software, writings, plans, specifications, and schematics relating thereto, and to exercise without interference from Grantor any and all rights which Grantor has with respect to the management, possession, operation, protection or preservation of the Property. Holder shall not be deemed to have taken possession of the Property or any part thereof except upon the exercise of its right to do so, and then only to the extent evidenced by its demand and overt act specifically for such purpose. All costs, expenses, and liabilities of every character incurred by Holder in managing, operating, maintaining, protecting, or preserving the Property shall constitute a demand obligation of Grantor (which obligation Grantor hereby promises to pay) to Holder pursuant to this City Deed of Trust. If necessary to obtain the possession provided for above, Holder may invoke any and all legal remedies to dispossess Grantor. In connection with any action taken by Holder pursuant to this Section, Holder shall not be liable for any loss sustained by Grantor resulting from any failure to let the Property or any part thereof, or from any act or omission of Holder in managing the Property unless such loss is caused by the willful misconduct and bad faith of Holder, nor shall Holder be obligated to perform or discharge any obligation, duty or liability of Grantor arising under any lease or other agreement relating to the Property or arising under any Permitted Encumbrance or otherwise arising. Grantor hereby assents to, ratifies and confirms any and all actions of Holder with respect to the Property taken under this Section.

(g) **Receiver.** Holder shall as a matter of right be entitled to the appointment

of a receiver or receivers for all or any part of the Property, whether such receivership be incident to a proposed sale (or sales) of such property or otherwise, and without regard to the value of the Property or the solvency of any person or persons liable for the payment of the indebtedness secured hereby, and Grantor does hereby irrevocably consent to the appointment of such receiver or receivers, waives notice of such appointment, of any request therefor or hearing in connection therewith, and any and all defenses to such appointment, agrees not to oppose any application therefor by Holder, and agrees that such appointment shall in no manner impair, prejudice or otherwise affect the rights of Holder to application of Rents as provided in this City Deed of Trust. Nothing herein is to be construed to deprive Holder of any other right, remedy or privilege it may have under the law to have a receiver appointed. Any money advanced by Holder in connection with any such receivership shall be a demand obligation (which obligation Grantor hereby promises to pay) owing by Grantor to Holder pursuant to this City Deed of Trust.

(h) **Termination of Commitment to Lend.** Holder may terminate any commitment or obligation to lend or disburse funds under any Loan Document or enter into any other credit arrangement to or for the benefit of Grantor.

(i) **Other Rights and Remedies.** Holder may exercise any and all other rights and remedies which Holder may have under the Loan Documents, or at law or in equity or otherwise.

Section 5.2. Proceeds of Foreclosure. The proceeds of any sale held by Trustee or Holder or any receiver or public officer in foreclosure of the liens and security interests evidenced hereby shall be applied in accordance with the requirements of applicable laws and to the extent consistent therewith, FIRST, to the payment of all necessary costs and expenses incident to such foreclosure sale, including, but not limited to, reasonable attorneys' fees and legal expenses, advertising costs, auctioneer's fees, costs of title rundowns and lien searches, inspection fees, appraisal costs, reasonable fees for professional services, environmental assessment and remediation fees, all court costs and charges of every character, and a reasonable fee (not exceeding five percent (5%) of the gross proceeds of such sale) to Trustee acting under the provisions of paragraph (c) of Section 5.1 hereof if foreclosed by power of sale as provided in said paragraph, and to the payment of the other Secured Indebtedness, including specifically without limitation the principal, accrued interest, and reasonable attorneys' fees due and unpaid on the Promissory Notes and the amounts due and unpaid and owed to Holder under this City Deed of Trust, the order and manner of application to the items in this clause FIRST to be in Holder's sole discretion; and SECOND, the remainder, if any there shall be, shall be paid to Grantor, or to Grantor's heirs, devisees, representatives, successors, or assigns, or such other persons (including the holder or beneficiary of any inferior lien) as may be entitled thereto by law; provided, however, that if Holder is uncertain which person or persons are so entitled, Holder may interplead such remainder in any court of competent jurisdiction, and the amount of any attorneys' fees, court costs, and expenses incurred in such action shall be a part of the Secured Indebtedness and shall be reimbursable (without limitation) from such remainder.

Section 5.3. Holder as Purchaser. Holder shall have the right to become the purchaser at any sale held by Trustee or substitute or successor or by any receiver or public officer or at any public sale, and Holder shall have the right to credit upon the amount of Holder's successful bid, to the extent necessary to satisfy such bid, all or any part of the Secured Indebtedness in such

manner and order as Holder may elect.

Section 5.4. Foreclosure as to Matured Debt. Upon the occurrence of an Event of Default, Holder shall have the right to proceed with foreclosure (judicial or nonjudicial) of the liens and security interests hereunder without declaring the entire Secured Indebtedness due, and in such event any such foreclosure sale may be made subject to the unmatured part of the Secured Indebtedness; and any such sale shall not in any manner affect the unmatured part of the Secured Indebtedness, but as to such unmatured part this City Deed of Trust shall remain in full force and effect just as though no sale had been made. The proceeds of such sale shall be applied as provided in Section 5.2 hereof except that the amount paid under clause FIRST thereof shall be only the matured portion of the Secured Indebtedness and any proceeds of such sale in excess of those provided for in clause FIRST (modified as provided above) shall be applied to the prepayment (without penalty) of any other Secured Indebtedness in such manner and order and to such extent as Holder deems advisable, and the remainder, if any, shall be applied as provided in clause SECOND of Section 5.2 hereof. Several sales may be made hereunder without exhausting the right of sale for any unmatured part of the Secured Indebtedness.

Section 5.5. Remedies Cumulative. All rights and remedies provided for herein and in any other Loan Document are cumulative of each other and of any and all other rights and remedies existing at law or in equity, and Trustee and Holder shall, in addition to the rights and remedies provided herein or in any other Loan Document, be entitled to avail themselves of all such other rights and remedies as may now or hereafter exist at law or in equity for the collection of the Secured Indebtedness and the enforcement of the covenants herein and the foreclosure of the liens and security interests evidenced hereby, and the resort to any right or remedy provided for hereunder or under any such other Loan Document or provided for by law or in equity shall not prevent the concurrent or subsequent employment of any other appropriate right or rights or remedy or remedies.

Section 5.6. Discretion as to Security. Holder may resort to any security given by this City Deed of Trust or to any other security now existing or hereafter given to secure the payment of the Secured Indebtedness, in whole or in part, and in such portions and in such order as may seem best to Holder in its sole and uncontrolled discretion, and any such action shall not in anywise be considered as a waiver of any of the rights, benefits, liens or security interests evidenced by this City Deed of Trust.

Section 5.7. Grantor's Waiver of Certain Rights. To the full extent Grantor may do so, Grantor agrees that Grantor will not at any time insist upon, plead, claim, or take the benefit or advantage of any law now or hereafter in force providing for any appraisement, valuation, stay, extension, or redemption, homestead, moratorium, reinstatement, marshalling, or forbearance, and Grantor, for Grantor, Grantor's heirs, devisees, representatives, successors, and assigns, and for any and all persons ever claiming any interest in the Property, to the extent permitted by applicable law, hereby waives and releases all rights of redemption, valuation, appraisement, stay of execution, notice of intention to mature, or declare due the whole of the Secured Indebtedness, notice of election to mature or declare due the whole of the Secured Indebtedness and all rights to a marshalling of assets of Grantor, including the Property, or to a sale in inverse order of alienation in the event of foreclosure of the liens and/or security interests hereby created. Grantor shall not have or assert any right under any statute or rule of law pertaining to the marshalling of assets, sale

in inverse order of alienation, the exemption of homestead, the administration of estates of decedents, or other matters whatsoever to defeat, reduce or affect the right of Holder under the terms of this City Deed of Trust to a sale of the Property for the collection of the Secured Indebtedness without any prior or different resort for collection, or the right of Holder under the terms of this City Deed of Trust to the payment of the Secured Indebtedness out of the proceeds of sale of the Property in preference to every other claimant whatsoever. Grantor waives any right or remedy which Grantor may have or be able to assert pursuant to any provision of Virginia law pertaining to the rights and remedies of sureties. If any law referred to in this Section and now in force, of which Grantor or Grantor's heirs, devisees, representatives, successors or assigns or any other persons claiming any interest in the Property might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section.

Section 5.8. Delivery of Possession After Foreclosure. In the event there is a foreclosure sale hereunder and at the time of such sale and to the extent allowed under applicable law, Grantor or Grantor's heirs, devisees, representatives, or successors as owners of the Property are occupying or using the Property, or any part thereof, each and all shall immediately become the tenant of the purchaser at such sale, which tenancy shall be a tenancy from day-to-day, terminable at the will of purchaser, at a reasonable rental per day based upon the value of the property occupied, such rental to be due daily to the purchaser; and to the extent permitted by applicable law, the purchaser at such sale shall, notwithstanding any language herein apparently to the contrary, have the sole option to demand immediate possession following the sale or to permit the occupants to remain as tenants at will. After such foreclosure and to the extent allowed under applicable law, any Leases to tenants or subtenants that are subject to this City Deed of Trust (either by their date, their express terms, or by agreement of the tenant or subtenant) shall, at the sole option of Holder or any purchaser at such sale, either (i) continue in full force and effect, and the tenant(s) or subtenant(s) thereunder will, upon request, attorn to and acknowledge in writing to the purchaser or purchasers at such sale or sales as landlord thereunder, or (ii) upon notice to such effect from Holder, the Trustees or any purchaser or purchasers, terminate within thirty (30) days from the date of sale. In the event the tenant fails to surrender possession of the Property upon demand and to the extent allowed under applicable law, the purchaser shall be entitled to institute and maintain a summary action for possession of the Property (such as an action for forcible detainer) in any court having jurisdiction.

ARTICLE 6 Miscellaneous

Section 6.1. Scope of Deed of Trust. This City Deed of Trust is a deed of trust of both real and personal property, a security agreement, an assignment of rents and leases, a financing statement, and fixture filing and a collateral assignment and also covers proceeds and fixtures.

Section 6.2. Effective as a Financing Statement. This City Deed of Trust shall be effective as a financing statement filed as a fixture filing with respect to all fixtures included within the Property and is to be filed for record in the real estate records of each county where any part of the Property (including said fixtures) is situated. This City Deed of Trust shall also be effective as a financing statement covering as-extracted collateral (including oil and gas), accounts and general intangibles under the Virginia Uniform Commercial Code, as in effect from time-to-time,

and the Uniform Commercial Code, as in effect from time-to-time, in any other state where the Property is situated which will be financed at the wellhead or minehead of the wells or mines located on the Property and is to be filed for record in the real estate records of each county where any part of the Property is situated. This City Deed of Trust shall also be effective as a financing statement covering any other Property and may be filed in any other appropriate filing or recording office. The mailing address of Grantor and the Holder are set forth in the preamble of this City Deed of Trust and the address of Holder from which information concerning the security interests hereunder may be obtained is the address of Holder set forth at the end of this City Deed of Trust. A carbon, photographic, or other reproduction of this City Deed of Trust or of any financing statement relating to this City Deed of Trust shall be sufficient as a financing statement for any of the purposes referred to in this Section.

Section 6.3. Waiver by Holder. Holder may at any time and from time-to-time by a specific writing intended for the purpose: (a) waive compliance by Grantor with any covenant herein made by Grantor to the extent and in the manner specified in such writing; (b) consent to Grantor's doing any act which hereunder Grantor is prohibited from doing, or to Grantor's failing to do any act which hereunder Grantor is required to do, to the extent and in the manner specified in such writing; (c) release any part of the Property or any interest therein from the lien and security interest of this City Deed of Trust, without the joinder of Trustee; or (d) release any party liable, either directly or indirectly, for the Secured Indebtedness or for any covenant herein or in any other Loan Document, without impairing or releasing the liability of any other party. No such act shall in any way affect the rights or powers of Holder or Trustee hereunder except to the extent specifically agreed to by Holder in such writing.

Section 6.4. No Impairment of Security. The lien, security interest, and other security rights of Holder hereunder or under any other Loan Document shall not be impaired by any indulgence, moratorium, or release granted by Holder including, but not limited to, any renewal, extension, or modification which Holder may grant with respect to any Secured Indebtedness, or any surrender, compromise, release, renewal, extension, exchange, or substitution which Holder may grant in respect of the Property, or any part thereof or any interest therein, or any release or indulgence granted to any endorser, guarantor or surety of any Secured Indebtedness. The taking of additional security by Holder shall not release or impair the lien, security interest, or other security rights of Holder hereunder or affect the liability of Grantor or of any endorser, guarantor or surety, or improve the right of any junior lienholder in the Property (without implying hereby Holder's consent to any junior lien).

Section 6.5. Grantor's Successors. If the ownership of the Property or any part thereof becomes vested in a person other than Grantor, Holder may, without notice to Grantor, deal with such successor or successors in interest with reference to this City Deed of Trust and to the Secured Indebtedness in the same manner as with Grantor, without in any way vitiating or discharging Grantor's liability hereunder or for the payment of the indebtedness or performance of the obligations secured hereby. No transfer of the Property, no forbearance on the part of Holder, and no extension of the time for the payment of the Secured Indebtedness given by Holder shall operate to release, discharge, modify, change, or affect, in whole or in part, the liability of Grantor hereunder for the payment of the indebtedness or performance of the obligations secured hereby or the liability of any other person hereunder for the payment of the indebtedness secured hereby. Each Grantor agrees that it shall be bound by any modification of this City Deed of Trust or any

of the other Loan Documents made by Holder and any subsequent owner of the Property, with or without notice, to such Grantor, and no such modifications shall impair the obligations of such Grantor under this City Deed of Trust or any other Loan Document. Nothing in this Section or elsewhere in this City Deed of Trust shall be construed to imply Holder's consent to any transfer of the Property.

Section 6.6. Forum; Waiver of Jury Trial. Grantor hereby irrevocably submits generally and unconditionally for itself and in respect of its property to the non-exclusive jurisdiction of any Virginia state court, or any United States federal court, sitting in the city or county in which the Secured Indebtedness is payable, and to the non-exclusive jurisdiction of any state or United States federal court sitting in the state in which any of the Property is located, over any suit, action or proceeding arising out of or relating to this City Deed of Trust or the Secured Indebtedness. Grantor hereby irrevocably waives, to the fullest extent permitted by law, any objection that Grantor may now or hereafter have to the laying of venue in any such court and any claim that any such court is an inconvenient forum. Grantor hereby agrees and consents that, in addition to any methods of service of process provided for under applicable law, all service of process in any such suit, action or proceeding in any Virginia state court, or any United States federal court, sitting in the state in which the Secured Indebtedness is payable may be made by certified or registered mail, return receipt requested, directed to Grantor at its address stated in this City Deed of Trust, or at a subsequent address of Grantor of which Holder received actual notice from Grantor in accordance with this City Deed of Trust, and service so made shall be complete five (5) days after the same shall have been so mailed. Nothing herein shall affect the right of City to serve process in any manner permitted by law or limit the right of the City to bring proceedings against Grantor in any other court or jurisdiction. **TO THE FULLEST EXTENT PERMITTED BY LAW, GRANTOR WAIVES THE RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY ACTION, SUIT OR OTHER PROCEEDING ARISING OUT OF OR RELATING TO THIS CITY DEED OF TRUST OR ANY OTHER LOAN DOCUMENT.**

Section 6.7. Substitute Trustee. The Trustee may resign by an instrument in writing addressed to Holder, or Trustee may be removed at any time, with or without cause, by an instrument in writing executed by Holder. In case of the death, resignation, removal, or disqualification of Trustee, or if for any reason Holder shall deem it desirable to appoint a substitute or successor trustee to act instead of the herein named trustee or any substitute or successor trustee, then Holder shall have the right and is hereby authorized and empowered to appoint a successor trustee(s), or a substitute trustee(s), without other formality than appointment and designation in writing executed by Holder and the authority hereby conferred shall extend to the appointment of other successor and substitute trustees successively until the Secured Indebtedness has been paid in full, or until the Property is fully and finally sold hereunder. Upon the making of any such appointment and designation, all of the estate and title of Trustee in the Property shall vest in the named successor or substitute Trustee(s) and he shall thereupon succeed to, and shall hold, possess and execute, all the rights, powers, privileges, immunities and duties herein conferred upon Trustee. All references herein to "Trustee" shall be deemed to refer to Trustee (including any successor(s) or substitute(s) appointed and designated as herein provided) from time to time acting hereunder.

Section 6.8. No Liability of Trustee. The Trustee shall not be liable for any error of judgment or act done by Trustee in good faith or be otherwise responsible or accountable under

any circumstances whatsoever (including Trustee's negligence), except for Trustee's gross negligence or willful misconduct. The Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by him hereunder, believed by him in good faith to be genuine. All monies received by Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by law), and Trustee shall be under no liability for interest on any moneys received by him hereunder. Grantor hereby ratifies and confirms any and all acts which the herein named Trustee or his successor or successors, substitute or substitutes, in this trust, shall do lawfully by virtue hereof. Grantor will reimburse Trustee for, and save him harmless against, any and all liability and expenses which may be incurred by him in the performance of his duties. The foregoing indemnity shall not terminate upon discharge of the Secured Indebtedness or foreclosure, or release or other termination, of this City Deed of Trust.

Section 6.9. Notices. All notices required under this City Deed of Trust shall be given in writing, and shall be deemed to be received five (5) business days after being mailed by first class mail, postage prepaid, return receipt requested, or one (1) business day after being placed for next day delivery with a nationally recognized overnight courier service, or upon receipt when delivered by hand, addressed as follows: (i) if given to the City—to the City Manager, with a copy to the City Attorney, each to: 605 East Main Street, Second Floor, City Hall (P.O. Box 911), Charlottesville, Virginia, 22902, (ii) if given to the Rental Grantor—to Piedmont Housing Alliance, Attention: Executive Director, 682 Berkmar Circle, Charlottesville, Virginia, 22901, with a copy to Doruk Onvural, Klein Hornig, LLP, 1325 G Street, N.W., Suite 770, Washington, DC, 20005, and a copy to the other financing parties at the address(es) provided by the Rental Grantor, or (iii) if given to the Homeownership Grantor—to Greater Charlottesville Habitat for Humanity, Inc., Attention: Executive Director, 967 2nd Street SE, Charlottesville, Virginia, 22902. This Section shall not be construed in any way to affect or impair any waiver of notice or demand provided in any Loan Document or to require giving of notice or demand to or upon any person in any situation or for any reason.

Section 6.10. Invalidity of Certain Provisions. A determination that any provision of this City Deed of Trust is unenforceable or invalid shall not affect the enforceability or validity of any other provision and the determination that the application of any provision of this City Deed of Trust to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to other persons or circumstances.

Section 6.11. Release of Rental Property. Upon satisfaction of all obligations and expiration of the Affordability Period (as defined in the Rental Affordable Housing Covenants), upon written request of the Rental Grantor, the City shall execute a Certificate of Satisfaction in a commercially reasonable, customary form reasonably acceptable to the City and approved as to form by the Office of the City Attorney, to be recorded at the Rental Grantor's sole cost and expense, to release this Deed of Trust from the land records of the City of Charlottesville, Virginia.

Section 6.12. Release of For-Sale Property.

(a) **Partial Release.** In connection with the sale of each For-Sale Affordable Unit to the first Qualified Purchaser (as defined in the Homeownership Affordable Housing

Covenants) of such unit in accordance with the terms of the Homeownership Affordable Housing Covenants, upon written request of the Homeownership Grantor, the City shall execute a Partial Release from this City Deed of Trust of such For-Sale Affordable Unit, in a commercially reasonable, customary form reasonably acceptable to the City and approved as to form by the Office of the City Attorney, to be recorded at the Homeownership Grantor's sole cost and expense in the land records of the City of Charlottesville, Virginia.

(b) **Certificate of Satisfaction.** Upon satisfaction of all obligations and expiration of the Affordability Period (as defined in the Homeownership Affordable Housing Covenants), upon written request of the Homeownership Grantor, the City shall execute a Certificate of Satisfaction in a commercially reasonable, customary form reasonably acceptable to the City and approved as to form by the Office of the City Attorney, to be recorded at the Homeownership Grantor's sole cost and expense, to release this Deed of Trust from the land records of the City of Charlottesville, Virginia.

Section 6.12. Successors and Assigns. The terms, provisions, covenants, and conditions hereof shall be binding upon Grantor, and the heirs, devisees, representatives, successors, and assigns of Grantor, and shall inure to the benefit of Trustee and Holder and shall constitute covenants running with the Land. All references in this City Deed of Trust to Grantor shall be deemed to include all such heirs, devisees, representatives, successors, and assigns of Grantor.

Section 6.13. Applicable Law. THIS CITY DEED OF TRUST, AND ITS VALIDITY, ENFORCEMENT AND INTERPRETATION, SHALL BE GOVERNED BY VIRGINIA LAW AND CONSTRUED, INTERPRETED, AND ENFORCED IN ACCORDANCE WITH AND PURSUANT TO THE LAWS OF THE COMMONWEALTH OF VIRGINIA (WITHOUT REGARD TO ANY CONFLICT OF LAWS PRINCIPLES) AND APPLICABLE UNITED STATES FEDERAL LAW, EXCEPT AS OTHERWISE REQUIRED BY MANDATORY PROVISIONS OF LAW AND EXCEPT TO THE EXTENT THAT REMEDIES PROVIDED BY THE LAWS OF ANY JURISDICTION OTHER THAN THE COMMONWEALTH OF VIRGINIA ARE GOVERNED BY THE LAWS OF SUCH OTHER JURISDICTION.

Section 6.14. Short Form Incorporation. The following short form provisions are incorporated into this City Deed of Trust by reference as permitted by Section 55.1-320, Code of Virginia (Repl. Vol. 1986);

- (1) Exemptions waived.
- (2) Subject to call upon default.
- (3) Renewal, extension or reinstatement permitted.
- (4) Substitution of trustee permitted.
- (5) Any trustee may act.

Section 6.15. Entire Agreement. The Loan Documents constitute the entire understanding and agreement between PHA, Grantor and Holder with respect to the transactions arising in connection with the Secured Indebtedness and supersede all prior written or oral understandings and agreements between PHA, Grantor and Holder with respect to the matters addressed in the Loan Documents. Grantor hereby acknowledges that, except as incorporated in writing in the Loan Documents, there are not, and were not, and no persons are or were authorized

by Holder to make, any representations, understandings, stipulations, agreements or promises, oral or written, with respect to the matters addressed in the Loan Documents.

IN WITNESS WHEREOF, Grantor has executed this instrument under seal as of the date first written on page 1 hereof.

RENTAL GRANTOR:

PEIDMONT HOUSING ALLIANCE
a Virginia non-stock corporation

By: _____
Sunshine Mathon,
its Designated Representative

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF _____)

On _____, 20____, before me, the undersigned, a notary public in and for said state, personally appeared Sunshine Mathon, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as _____ of Piedmont Housing Alliance, and that by his signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public

Commission expires: _____

Registration No.: _____

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

1025-B PARK STREET, LLC,
a Virginia limited liability company

By: 1025-B Park Street MM, LLC,
a Virginia limited liability company
its managing member

By: Piedmont Housing Alliance,
a Virginia nonstock corporation
its sole member

By: _____
Name: Sunshine Mathon
Title: Executive Director

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF _____)

On _____, 20____, before me, the undersigned, a notary public in and for said state, personally appeared Sunshine Mathon, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as Executive Director of Piedmont Housing Alliance, the sole member of 1025-B Park Street MM, LLC, the managing member of 1025-B Park Street, LLC, and that by his signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public

Commission expires: _____

Registration No.: _____

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

1025-A PARK STREET, LLC,
a Virginia limited liability company

By: 1025-A Park Street MM, LLC,
a Virginia limited liability company
its managing member

By: Piedmont Housing Alliance,
a Virginia nonstock corporation
its sole member

By: _____
Name: Sunshine Mathon
Title: Executive Director

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF _____)

On _____, 20____, before me, the undersigned, a notary public in
and for said state, personally appeared Sunshine Mathon, personally known to me or proved to
me on the basis of satisfactory evidence to be the individual whose name is subscribed to the
within instrument and acknowledged to me that he executed the same in his capacity as
Executive Director of Piedmont Housing Alliance, the sole member of 1025-A Park Street MM,
LLC, the managing member of 1025-A Park Street, LLC, and that by his signature on the
instrument, the entity, individual or the person on behalf of which the individual acted, executed
the instrument.

Notary Public

Commission expires: _____

Registration No.: _____

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

HOMEOWNERSHIP GRANTOR:

GREATER CHARLOTTESVILLE HABITAT FOR HUMANITY, INC.
a Virginia non-stock corporation

By: _____,
Daniel H. Rosensweig,
its CEO

COMMONWEALTH OF VIRGINIA)
)
)
CITY/COUNTY OF _____)

On _____, 20____, before me, the undersigned, a notary public in and for said state, personally appeared Daniel H. Rosensweig, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as the CEO of Greater Charlottesville Habitat for Humanity, Inc., a Virginia non-stock corporation, and that by his signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public

Commission expires: _____

Registration No.: _____

ACKNOWLEDGED AND AGREED TO:

CITY OF CHARLOTTESVILLE, VIRGINIA

By: _____
City Manager

Approved as to Form:

By: _____
Title: _____
Date: _____

EXHIBIT “A-1”

Legal Description of Rental Property

All that those certain lots or parcels of land, together with all improvements thereon and rights and appurtenance thereto, located in the City of Charlottesville, Virginia, shown as “Lot E1” and “Lot F1” on a plat entitled “PLAT SHOWING MAJOR SUBDIVISION KNOWN AS MACAA REDEVELOPMENT AND BEING CITY PIDS 470007100, 470008000, & 470011000 IN THE CITY OF CHARLOTTESVILLE, VIRGINIA” prepared by Timmons Group, dated December 22, 2023, last revised October 25, 2024, and recorded with a deed in the Clerk’s Office of the Circuit Court of the City of Charlottesville, Virginia, as Instrument No. 202400003048;

BEING a portion of the same real estate conveyed to Monticello Area Community Action Agency, a Virginia nonstock corporation, by the following instruments: (a) deed from Charlottesville-Albemarle YMCA Inc., a Virginia non-stock corporation, and Christine C. Chapman, Substitute Trustee under Agreement dated April 10, 1989, creating The McIntire Land Trust, dated May 19, 1993, recorded June 10, 1993 in the Clerk’s Office, Circuit Court, Charlottesville, Virginia in Deed Book 604, Page 568; (b) deed from Rebecca W. West dated November 22, 2016, recorded December 2, 2016 in said Clerk’s Office as Instrument No. 201600004608; and (c) from 1023 Park Street, LLC, a Virginia limited liability company, by a Deed of Gift of Boundary Line Adjustment dated December 18, 2024, recorded December 19, 2024, in said Clerk’s Office as Instrument No. 202400003048.

EXHIBIT “A-2”

Legal Description of Homeownership Property

All that those certain lots or parcels of land, together with all improvements thereon and rights and appurtenance thereto, located in the City of Charlottesville, Virginia, shown and described on a plat entitled “PLAT SHOWING MAJOR SUBDIVISION KNOWN AS MACAA REDEVELOPMENT AND BEING CITY PIDS 470007100, 470008000, & 470011000 IN THE CITY OF CHARLOTTESVILLE, VIRGINIA” prepared by Timmons Group, dated December 22, 2023, last revised October 25, 2024, and recorded with a deed in the Clerk’s Office of the Circuit Court of the City of Charlottesville, Virginia, as Instrument No. 202400003048 as follows:

LOTS A1 through A8

LOTS C1 through C6

LOTS D1 through D6

BEING a portion of the same real estate conveyed to Monticello Area Community Action Agency, a Virginia nonstock corporation, by the following instruments: (a) deed from Charlottesville-Albemarle YMCA Inc., a Virginia non-stock corporation, and Christine C. Chapman, Substitute Trustee under Agreement dated April 10, 1989, creating The McIntire Land Trust, dated May 19, 1993, recorded June 10, 1993 in the Clerk’s Office, Circuit Court, Charlottesville, Virginia in Deed Book 604, Page 568; (b) deed from Rebecca W. West dated November 22, 2016, recorded December 2, 2016 in said Clerk’s Office as Instrument No. 201600004608; and (c) from 1023 Park Street, LLC, a Virginia limited liability company, by a Deed of Gift of Boundary Line Adjustment dated December 18, 2024, recorded December 19, 2024, in said Clerk’s Office as Instrument No. 202400003048.

Policy Briefing Summary

City Council



Regarding:	Resolution Supporting the Dogwood Veterans Memorial Pedestrian Bridge and Parking Area
Staff Contact(s):	Steven Hicks, Director of Public Works, Brennen Duncan, City Engineer
Presenter:	Brennen Duncan, City Engineer
Date of Proposed Action:	January 20, 2026

Issue

City Council is asked to reaffirm policy support for the Dogwood Veterans Memorial Pedestrian Bridge and Accessible Parking Area Project ("Project"), and, through Resolution, confirm the City's intent to accept the completed bridge, parking lot, and associated shared use paths into the City's asset system upon completion, provided the Project is constructed in accordance with City and VDOT approved plans, permits, and applicable standards.

Background / Rule

The Dogwood Veterans Memorial Foundation ("Foundation") has requested City support to improve safe and ADA-accessible access to the Memorial and the eastern portion of McIntire Park. The proposed Project includes a 105-foot pedestrian bridge over John Warner Parkway, a proposed access drive, and a 26-space parking lot on the east side of John Warner Parkway, and ADA-compliant shared use paths connecting to the existing trail network on both the east and west sides of the parkway. The bridge would be located approximately 320 feet northeast of the Route 250 on and off ramp.

On December 5, 2022, City Council adopted Resolution R-22-161 expressing support for a pedestrian bridge and parking area to improve access to eastern McIntire Park and the Dogwood Veterans Memorial. Most recently, in FY26, the City awarded \$105,000 in grant funding to the Foundation to advance design and planning activities.

In November 2025, City Staff met with Foundation leadership and advised that the Project could advance most efficiently through a development site plan review approach led by the Foundation. Under this approach, the Foundation would be responsible for fundraising, final design, permitting, and construction. The City would provide oversight through the standard development review and permitting process to ensure compliance with City and VDOT requirements, ADA accessibility standards, utility coordination, inspection, and long-term maintenance considerations.

The Foundation reports that the Project has advanced to approximately 90% design and that preliminary pricing indicates total Project costs of approximately \$3.3 million dollars, including fees and contingencies. The Foundation has indicated confidence in its ability to raise the funds necessary to complete construction. Construction is anticipated to be completed in Fall 2026, subject to final design approval and fundraising.

City Staff has initiated early-stage technical reviews based on the 90% design. This initial review effort is focused on confirming general alignment with applicable City standards and requirements for a pedestrian bridge and associated public infrastructure. City Staff's early review indicates the plans appear capable of meeting the City's standards for acceptance. Final review and approval will still be required through the formal permitting and inspection process to confirm full compliance with all City, VDOT, and ADA standards prior to acceptance of the improvements into the City's public asset

system.

As the Project moves into final design and active fundraising, the Foundation has requested formal assurance from the City that, if the Project is constructed in accordance with City approved plans and standards, the pedestrian bridge, parking lot, and associated shared use paths will be accepted by the City as public assets upon completion.

Analysis

The proposed Project provides a significant public benefit by improving accessibility to the Memorial for individuals with disabilities, veterans, seniors, families, and other visitors. The pedestrian bridge and accessible parking area would remove existing barriers and provide safer and more convenient access to a key community memorial and park asset.

From a delivery perspective, the public right-of-way plan review approach places responsibility for fundraising, construction management, cost control, and schedule with the Foundation, while allowing the City to protect the public interest through plan review, permitting, inspection, and acceptance standards. This approach reduces direct delivery risk to the City, while ensuring the infrastructure is constructed to standards appropriate for long-term public ownership.

City Council action at this stage does not authorize new construction funding. Rather, it provides the assurance necessary for the Foundation to finalize design and advance fundraising efforts. The requested Resolution confirms that City Council expressly agrees and will formally resolve, subject to final inspection and approval by the City Engineer and appropriate City officials, to accept the completed pedestrian bridge, accessible parking area, and associated shared use paths into the City's asset system, provided that the infrastructure is constructed in accordance with City approved plans, permits, specifications, and applicable standards.

Financial Impact

No additional appropriation is requested currently. Construction of the pedestrian bridge, parking lot, and associated shared use paths would be funded and managed by the Foundation using previously awarded City grant funds and privately raised contributions.

Upon acceptance of the completed infrastructure, the City would assume responsibility for routine maintenance and upkeep of the pedestrian bridge, shared use paths, parking area, and associated landscaping, like other City-owned park and trail assets. Because the infrastructure will be new, near-term maintenance costs are expected to be modest. However, this will represent an incremental addition to the City's asset inventory, and routine maintenance and groundskeeping costs will need to be incorporated into future operating budgets beginning in FY28.

Recommendation

City Staff recommends that City Council adopt the attached Resolution reaffirming its policy support for the Project and confirming the City's intent to accept the completed infrastructure into the City's asset system upon completion, provided the Project is constructed in accordance with City approved plans, permits, and applicable standards.

Recommended Motion (if Applicable)

"I make a Motion to adopt the attached Resolution reaffirming City Council's support for the Project and confirming the City's intent to accept the completed bridge, parking lot, and associated shared use paths as public assets upon completion in compliance with City approved plans, permits, and applicable standards.

Attachments

1. 8383 - Dogwood_Concept Plan_032922
2. Dogwood Layout
3. RES Dogwood Veterans Mem. Bridge VH edit 2026 2

PROPOSED MCINTIRE PARK EAST ACCESS IMPROVEMENTS

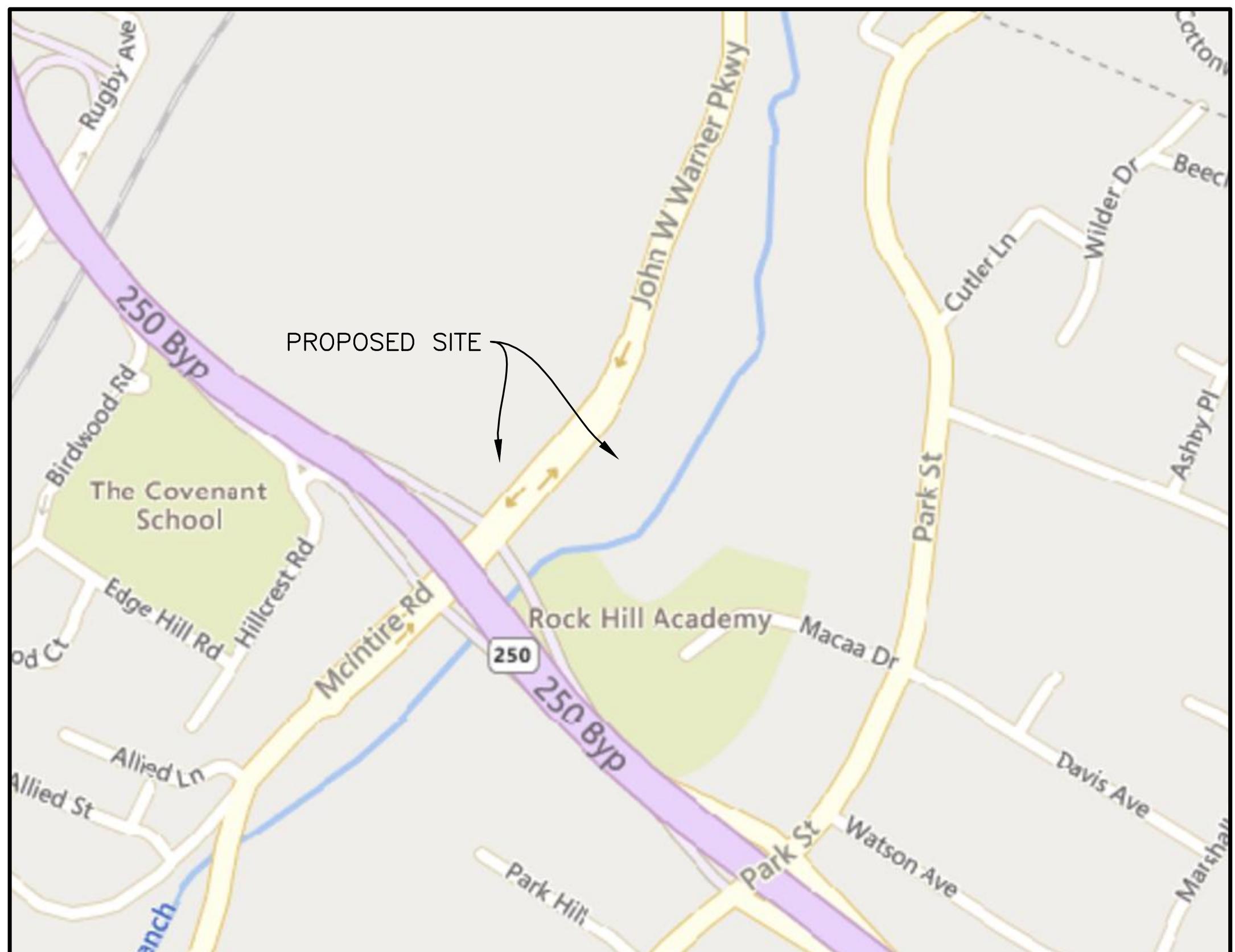
FOR

CHARLOTTESVILLE DOGWOOD FOUNDATION

CITY OF CHARLOTTESVILLE, VA.

PROJECT SITE SUMMARY:

SITE ADDRESS: MCINTIRE PARK EAST
CHARLOTTESVILLE, VA 22906
OWNER: CITY OF CHARLOTTESVILLE
PARKS & RECREATION
APPLICANT: CHARLOTTESVILLE DOGWOOD FOUNDATION
CONTACT: GREG KRYSYNIK
ADDRESS: P.O. BOX 8154
CHARLOTTESVILLE, VA 22906
TELEPHONE NO: 434-295-0033
PROJECT ENGINEER: RACEY ENGINEERING, PLLC
CONTACT: TYLER S. AUSTIN, P.E., L.S.
ADDRESS: 312 WEST MAIN STREET
LURAY, VIRGINIA 22835
TELEPHONE NO: (540) 743-9227



SHEET LIST TABLE	
SHEET NUMBER	TITLE OF SHEET
T100	TITLE SHEET
C300	GRADING PLANS AND PROFILE
C301	GRADING PLANS AND PROFILE



VICINITY MAP

SCALE: 1" = 300'

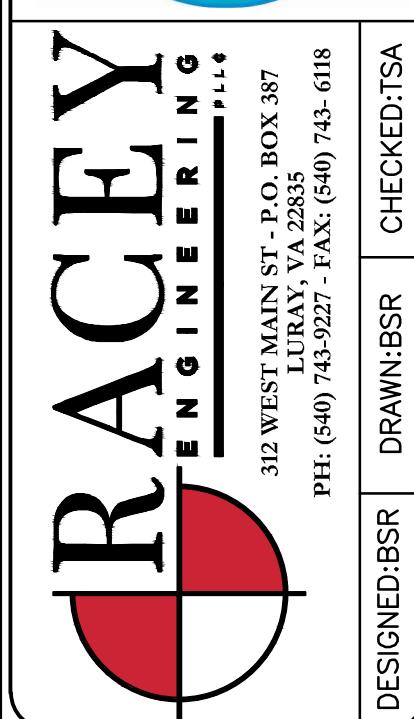
PROJECT COORDINATES

38° 02' 37.6" N
78° 28' 24.0" W

PROPOSED USE:

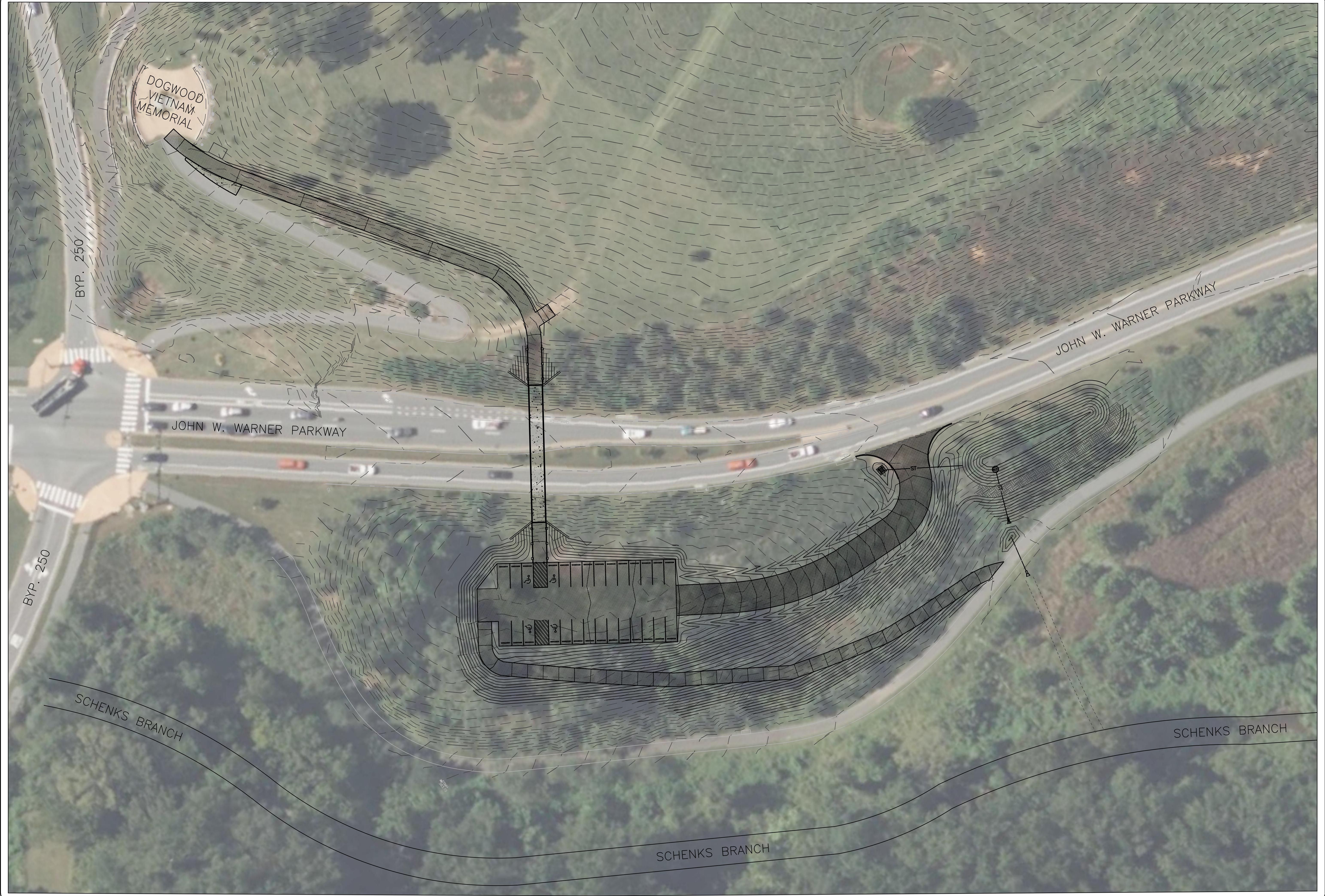
THE PROPOSED SITE INCLUDES A NEW PARKING AREA AND PEDESTRIAN BRIDGE TO PROVIDE ACCESS TO MCINTIRE PARK EAST. COMPONENTS INCLUDE AN ASSOCIATED ACCESS ROAD, CONNECTING TRAILS, AND STORMWATER MANAGEMENT.

No.	Submittal / Revision	By	Appl'd	Date
1	30% PLANS	VP	TSA	07/09/21
2	CLIENT REVIEW	BSR	TSA	12/17/21
3	CLIENT REVIEW	BSR	TSA	02/08/22
4	CLIENT REVIEW	BSR	TSA	03/09/22



PROPOSED MCINTIRE PARK EAST ACCESS IMPROVEMENTS	TITLE SHEET	
CHARLOTTESVILLE DOGWOOD FOUNDATION		
CITY OF CHARLOTTESVILLE, VA.		
RACEY PROJECT NUMBER: 8383	PUBLISH DATE: 7/11/2022	DESIGNED:BSR DRAWN:BSR CHECKED:TSA

T100

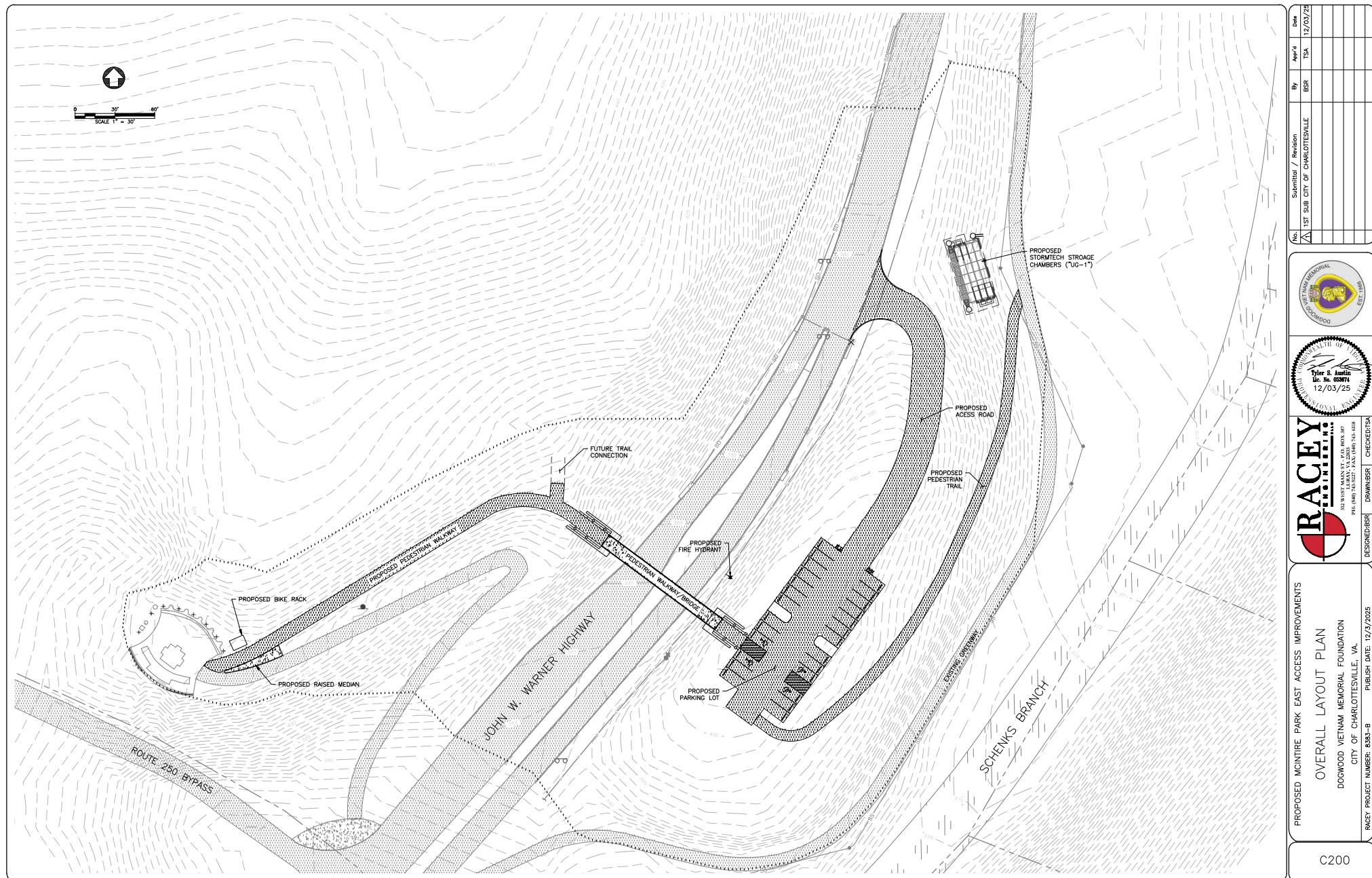


No.	Submittal / Revision	By	Appl'd	Date
1	30% PLANS	BSR	VP	07/09/21
2	CLIENT REVIEW	BSR	BSR	12/17/21
3	CLIENT REVIEW 2	BSR	BSR	02/08/22
4	CLIENT REVIEW 3	BSR	BSR	03/09/22
NOT APPROVED FOR CONSTRUCTION				

RACEY ENGINEERING, PLLC
312 WEST MAIN ST. P.O. BOX 387
LURAY, VA 22835
PH: (434) 743-0227 - FAX: (434) 743-6118
CHARLOTTESVILLE DOGWOOD FOUNDATION
CITY OF CHARLOTTESVILLE, VA.
RACEY PROJECT NUMBER: 8383 PUBLISH DATE: 3/29/2022
DESIGNED:BSR DRAWN:BSR CHECKED:TLA

DOGWOOD VIETNAM MEMORIAL
CHARLOTTESVILLE, LURAY, VA
REPUBLIC OF VIETNAM
1954-1975
1ST VIETNAM WAR
EST. 1986

C301



RESOLUTION
REAFFIRMING SUPPORT FOR THE DOGWOOD VETERANS MEMORIAL
PEDESTRIAN BRIDGE AND ACCESSIBLE PARKING AREA
AND EXPRESSING INTENT TO ACCEPT THE COMPLETED INFRASTRUCTURE

WHEREAS, the City Council of the City of Charlottesville, Virginia (“City Council”), adopted Resolution R-22-161 on December 5, 2022, expressing its support for a pedestrian bridge and parking area to improve accessibility to the Dogwood Veterans Memorial (“Memorial”) and the eastern portion of McIntire Park; and

WHEREAS, the Dogwood Veterans Memorial Foundation (“Foundation”) has proposed the development of a pedestrian bridge over John Warner Parkway, an accessible parking area, and associated shared use paths to improve safe and ADA accessible access to the Memorial and surrounding park amenities (“Project”); and

WHEREAS, the City of Charlottesville, Virginia (“City”), has awarded grant funding to the Foundation to support planning and design activities associated with the proposed Project; and

WHEREAS, the City has encouraged the Foundation to advance the Project using a public right-of-way plan delivery approach, with the Foundation responsible for fundraising, final design, permitting, and construction, subject to review, inspection, and approval by the City and other applicable agencies; and

WHEREAS, the Foundation has advanced the Project design and has represented its intent to construct the pedestrian bridge, accessible parking area, and associated shared use paths in compliance with City approved plans, permits, specifications, and applicable standards; and

WHEREAS, City Council recognizes that formal policy direction regarding future acceptance of the completed infrastructure is necessary to support continued design advancement and private fundraising efforts, while preserving the City’s authority to ensure compliance with all applicable requirements prior to acceptance.

NOW, THEREFORE BE IT RESOLVED, by City Council that it hereby reaffirms its support for the Project; and

BE IT FURTHER RESOLVED that City Council expressly agrees and formally resolves, subject to final inspection and approval by the City Engineer and appropriate City officials, to accept the completed pedestrian bridge, accessible parking area, and associated shared use paths into the City’s asset system, provided that the infrastructure is constructed in accordance with City approved plans, permits, specifications, and applicable standards; and

BE IT FINALLY RESOLVED that nothing in this Resolution shall be construed as authorizing additional City funding for construction of the Project, nor as obligating the City to accept the infrastructure, unless and until all applicable requirements for acceptance have been satisfied.

(locality seal)

Policy Briefing Summary

City Council



Regarding:	Resolution Appropriating \$700,000 and Initiating an Amendment to the Terms of a Performance Agreement Supporting the 501 Cherry Avenue Mixed-Use Development Project (1 of 2 readings)
Staff Contact(s):	James Freas, Deputy City Manager, Kellie Brown, Director of NDS, Madelyn Metzler, Housing Compliance Coordinator
Presenter:	Madelyn Metzler, Housing Compliance Coordinator
Date of Proposed Action:	January 20, 2026

Issue

Piedmont Housing Alliance ("PHA") requests additional investment in the previously funded 501 Cherry Avenue Mixed-Use Development Project ("Project"). The request includes increasing the Performance Agreement from 50% to 100% of the incremental real estate value created by the Project over the performance period and \$700,000 cash to support commencement of the Project in 2026.

Background / Rule

The Project is proposed to include 71 affordable rental dwelling units and commercial space to be occupied by the Music Resource Center ("MRC") and a community grocery store. This Project represents a unique partnership between the Fifeville Neighborhood Association, Woodard Properties, and PHA, with the goal of creating and executing a shared vision and plan for development of the property. Currently, the Project has a financing gap which is preventing it from commencing. Funding must be secured by April 2026 for the Project to proceed and to meet MRC's move-in timeline.

Analysis

The Project received final site plan approval in March 2025 and has secured 9% Low-Income Housing Tax Credit funding. The Project is consistent with both the City's Affordable Housing Plan's goals of creating new affordable units and the Small Area Plan's goal of improving food access. The Project will feature 71 multifamily rental units affordable to households earning between 30% and 60% of the Area Median Income ("AMI"), including 10 Project-based voucher units, 7 units for households under 30% AMI, 10 units for households under 40% AMI, 6 units for households under 50% AMI, and 38 units for households under 60% AMI. The Project also includes space for the nonprofit MRC, which needs to occupy its new facility by 2027, and for a community grocery store. The Project's \$1.7 million funding gap threatens that timeline. If this gap is filled, construction is scheduled to begin in spring 2026, with completion expected in 2027, and full occupancy by 2028. Addressing this shortfall is essential to maintain the timeline and ensure delivery of both housing and nonprofit space. City Staff supports the request to increase the Performance Agreement from 50% to 100% of the incremental real estate value created by the Project over the performance period, and by adding \$700,000 in additional cash from the Capital Improvement Plan ("CIP") Contingency Fund to support construction beginning in 2026.

Financial Impact

The additional \$700,000 will be allocated from the City's CIP Contingency Fund and the 5-year CIP will be amended to include these additional Project funds in FY 2028 of the Plan.

Recommendation

City Staff recommends City Council adopt the attached Resolution initiating an amendment to the terms of the 501 Cherry Avenue Performance Agreement (subject to approval by the Economic Development Authority of the City of Charlottesville, Virginia) to 100% of the incremental real estate value created by the Project over the performance period, and committing to increasing the funding for the Project by an additional \$700,000 from the CIP Contingency Fund.

Recommended Motion (if Applicable)

"I make a Motion to adopt the attached Resolution initiating an amendment to the terms of the 501 Cherry Avenue Performance Agreement (subject to approval by the Economic Development Authority of the City of Charlottesville, Virginia) to 100% of the incremental real estate value created by the Project over the performance period, and committing to increasing the funding for the Project by an additional \$700,000 from the CIP Contingency Fund."

Attachments

1. RESOLUTION_501Cherry

RESOLUTION
**TO APPROPRIATE \$700,000 AND INITIATE CONSIDERATION OF AMENDING A CERTAIN
PERFORMANCE AGREEMENT TO SUPPORT THE 501 CHERRY AVENUE MIXED-USE
DEVELOPMENT PROJECT**

WHEREAS, the 501 Cherry Avenue mixed-use development project is proposed to consist of 71 affordable rental dwelling units and commercial space to be occupied by the Music Resource Center (MRC) and a community grocery store; and

WHEREAS, the project represents a partnership between the neighborhood association, a private for-profit developer, and a not-for-profit affordable housing developer to develop a project that meets a number of community needs as envisioned in the Cherry Avenue Small Area Plan; and

WHEREAS, the project developer, Piedmont Housing Alliance, is requesting an additional \$1,700,000 to support the project; and

WHEREAS, the City of Charlottesville would provide an additional \$700,000 from the Capital Improvement Program contingency fund and support increasing the funding payment contemplated in an existing Performance Agreement, dated March 20, 2025, to 100% of the incremental real estate value created by the project, subject to approval by the Economic Development Authority of the City of Charlottesville, Virginia and the City Council of the City of Charlottesville; and

NOW, THEREFORE BE IT RESOLVED, by that the Council of the City of Charlottesville, Virginia, hereby appropriates \$700,000 to the Piedmont Housing Alliance and supports initiation of an amendment to the terms of the 501 Cherry Avenue Performance Agreement as stated herein.

Policy Briefing Summary

City Council



Regarding:	Resolution Appropriating \$390,000 to Support a Rental Arrears Intervention Pilot Program (1 of 2 readings)
Staff Contact(s):	James Freas, Deputy City Manager, Madelyn Metzler, Housing Compliance Coordinator, Kellie Brown, Director of NDS
Presenter:	Madelyn Metzler, Housing Compliance Coordinator
Date of Proposed Action:	January 20, 2026

Issue

Piedmont Housing Alliance ("PHA") has confirmed a rental arrears priority at Kindlewood, in both existing and new housing units. The persistence of arrears suggests a critical financial assessment and counseling intervention is needed, and PHA requests consideration of \$390,000 to support a Rental Arrears Intervention Pilot Program ("Pilot Program").

Background / Rule

Rental arrears at PHA properties have grown to over \$450,000, creating financial strain for PHA and increasing eviction risk for residents. This challenge has prompted consideration of interventions that combine financial counseling with partial arrears payments to stabilize households and property operations.

Analysis

PHA is experiencing a growing rent delinquency crisis that may be indicative of a larger trend among affordable housing residents. CRHA has indicated similar trends in its properties and both organizations face financial strain and the increasing risk of eviction. This challenge threatens property operations and long-term affordability unless addressed through targeted intervention. PHA proposed a two (2)-year Pilot Program that would combine financial counseling through its Financial Opportunity Center with partial arrears payments. The requests include City funding to cover up to fifty percent (50%) of arrears (approximately \$220,000) and \$170,000 for a dedicated financial literacy counselor for a total of \$390,000. If implemented, the Pilot Program would pair payment assistance with accountability measures and financial education, aiming to stabilize households and reduce eviction rates. The Pilot Program would include performance metrics and would be monitored under the City's Grant Monitoring and Compliance Program.

Financial Impact

The source of funds for the Pilot Program will be the City's CIP Contingency Fund. The funds will be disbursed to PHA as a grant and in accordance with the terms of a signed Grant Agreement. The terms of the Grant Agreement will be finalized after the appropriation is approved by City Council.

Recommendation

City Staff recommends City Council adopt the attached Resolution which funds a two (2)-year Pilot Program that includes \$170,000 for a financial literacy counselor and up to \$220,000 to cover fifty percent (50%) of arrears for participating households.

Recommended Motion (if Applicable)

"I make a Motion to adopt the attached Resolution which funds a two (2)-year Pilot Program that includes \$170,000 for a financial literacy counselor and up to \$220,000 to cover fifty percent (50%) of arrears for participating households."

Attachments

1. CIP Contingency Allocation - PHA Renat Arrears Pilot Program



RESOLUTION #R- -

**RESOLUTION TO APPROPRIATE \$390,000 TO SUPPORT THE CREATION OF A
RENTAL ARREARS INTERVENTION PROGRAM WITH PIEDMONT HOUSING
ALLIANCE**

WHEREAS, Piedmont Housing Alliance has confirmed a significant issue of rental arrears associated with the Kindlewood property; and

WHEREAS, Piedmont Housing Alliance has experience running a Financial Literacy Center; and a rental arrears intervention program operating within a financial literacy center could work with tenants to resolve their payment of rent through coupling payment assistance with accountability measures and financial education; and

WHEREAS the City Manager has made a recommendation and request to allocate a portion of the CIP contingency funds to Piedmont Housing Alliance (PHA) to support a two-year rental arrears pilot program that includes \$170,000 for a financial literacy counselor and up to \$220,000 to cover 50% of arrears for participating households;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$390,000 is hereby allocated from currently appropriated funds in the CIP Contingency Fund for the following:

Transfer from:

Transfer to:

Fund: 210 Internal Order: 1900638 GL Code: 599999

Date Adopted:

Certified:

Policy Briefing Summary

City Council



Regarding:	Resolution to appropriate funding from the International City / County Management Association (ICMA) Economic Mobility and Opportunity Special Assistant Grant in the amount of \$354,000 (1 of 2 readings)
Staff Contact(s):	Taylor Harvey-Ryan, Grants Program Manager, Steven King, Assistant to the City Manager
Presenter:	Ashley Marshall, Chief Prosperity Officer
Date of Proposed Action:	January 20, 2026

Issue

Appropriate funding from the International City/County Management Association (ICMA) Economic Mobility and Opportunity Special Assistant Grant

Background / Rule

The City of Charlottesville has received a grant award in the amount of \$354,000 from ICMA's Economic Mobility and Special Opportunity Special Assistant Grant to support the hiring of an Economic Mobility and Opportunity Special Assistant (EMO SA) to lead implementation of local actions improving economic mobility and opportunity for residents.

Analysis

The City of Charlottesville applied for and was awarded the ICMA Economic Mobility and Opportunity Special Assistant grant in the amount of \$354,000 to support the hiring of an EMO SA for the period of September 1, 2025 through June 30, 2028.

The funding will support the hiring of a senior-level staff member to drive the implementation of comprehensive economic mobility strategies for the City of Charlottesville. The position title for the City of Charlottesville is Economic Mobility Officer who will serve under the supervision of the Assistant to the City Manager, Steve King. The Economic Mobility Officer will work across departments and external partners to identify strategic priorities and develop and execute a tailored implementation plan informed by a community-engaged co-design process. In addition to advancing local EMO activities, the Economic Mobility Officer will participate along with other grant awardees in regular coaching, training, and networking activities facilitated by ICMA. They will contribute to ongoing measurement, learning, and evaluation efforts to help develop a model for replication by other local governments.

Roles and Responsibilities include:

1. Conduct a co-design process to develop a community-informed workplan for EMO priorities and activities over the period of performance
2. Implement EMO activities outlined in the community-informed work-plan
3. Develop and enhance formal networks of local EMO stakeholders
4. Participate in all required virtual and in-person meetings.
5. Develop a strategy/resource roadmap for sustaining the EMO work beyond the duration of the grant
6. Comply with reporting and evaluation requests from ICMA and funding partners
7. Utilize customizable templates provided to deliver progress reports in a timely manner

The grant funds will be spent in the following manner:

Category	Period 1	Period 2	Period 3	Period 4	Total
EMO SA Salary	\$41,666.67	\$91,666.67	\$100,000.00	\$16,666.67	\$250,000
Relocation Support	\$5,000.00	N/A	N/A	N/A	\$5,000.00
Co-Design Expenses	\$25,000.00	N/A	N/A	N/A	\$25,000.00
Implementation Expenses	N/A	\$15,000.00	\$15,000.00	N/A	\$30,000.00
Intern Support	N/A	\$10,000.00	\$10,000.00	N/A	\$20,000.00
Travel + EMO SA Professional Development	\$3,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$24,000.00
TOTAL	\$74,666.67	\$123,666.67	\$132,000.00	\$23,666.67	\$354,000.00

Cost Category Descriptions:

- **EMO SA Salary** (Economic Mobility Officer): 3 months total; City of Charlottesville to provide benefits package
- **Relocation Support**: Optional Incentive to Economic Mobility Officer upon hire
- **Co-design Expenses**: Consulting or related direct expenses (meeting costs including food and beverage, participant stipends, printing materials, etc.) to execute co-design activities
- **Implementation Expenses**: Expenses related to programming or other activities outline in the EMO SA workplan
- **Intern support**: Optional Support
- **Travel + EMO SA Professional Development**: Transportation for 3 people x 4 mandatory in-person convenings; professional development activities/travel for the EMO SA (Economic Mobility Officer)

Financial Impact

The City of Charlottesville will provide benefits for the Economic Mobility Officer utilizing previous appropriated funding within the FY 2026 budget.

Recommendation

Staff recommends the appropriation of the ICMA grant funds in the amount of \$354,000.

Recommended Motion (if Applicable)

I move to approve the resolution appropriating the \$354,000 from ICMA to support the Economic Mobility and Opportunity Special Assistant.

Attachments

1. ICMA EMO SA Resolution

RESOLUTION

Appropriating Funding in the amount of \$354,000 To Be Received from the International City/ County Management Association (ICMA) Economic Mobility and Opportunity Special Assistant Grant

WHEREAS, the City of Charlottesville has received an Economic Mobility and Opportunity grant from the International City/ County Management Association (ICMA) Economic Mobility and Opportunity Special Assistant Program in the amount of \$354,000; and

WHEREAS, the funds will be used to support a City Economic Mobility and Opportunity Special Assistant (EMO SA) who will drive implementation of a comprehensive economic mobility strategy for our community; and

WHEREAS, the grant award covers the period from September 1, 2025, through June 30, 2028;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that upon receipt of the ICMA Economic Mobility and Opportunity Special Assistant Grant, said funding, anticipated in the sum of \$354,000.00 is hereby appropriated in the following manner:

Revenue – \$345,000.00

\$354,000.00 Fund: 210 CC: 1674001000 GL Code: 451022

Expenditures - \$345,000.00

\$354,000.00 Fund: 210 CC: 1674001000 GL Code: 599999

BE IT FURTHER RESOLVED that this appropriation is conditioned upon the receipt of \$354,000.00 from the International City/ County Management Association (ICMA) Economic Mobility and Opportunity Special Assistant Program.

Policy Briefing Summary

City Council



Regarding: Rivanna Authorities Quarterly Report
Staff Contact(s):
Presenter:
Date of Proposed Action: January 20, 2026

Issue

The Rivanna Authorities, consisting of the Rivanna Solid Waste Authority (RSWA) and Rivanna Water and Sewer Authority (RWSA), provides a quarterly report at the request of City Council.

Background / Rule

Analysis

Financial Impact

Recommendation

Review the report. Direct questions to Rivanna Authorities for future updates.

Recommended Motion (if Applicable)

Attachments

1. January 2026_RWSA RSWA_ City_ Quarterly Update

January 9, 2026

The Honorable Charlottesville City Council
 P.O. Box 911
 Charlottesville, VA 22902

Re: Quarterly Update – January

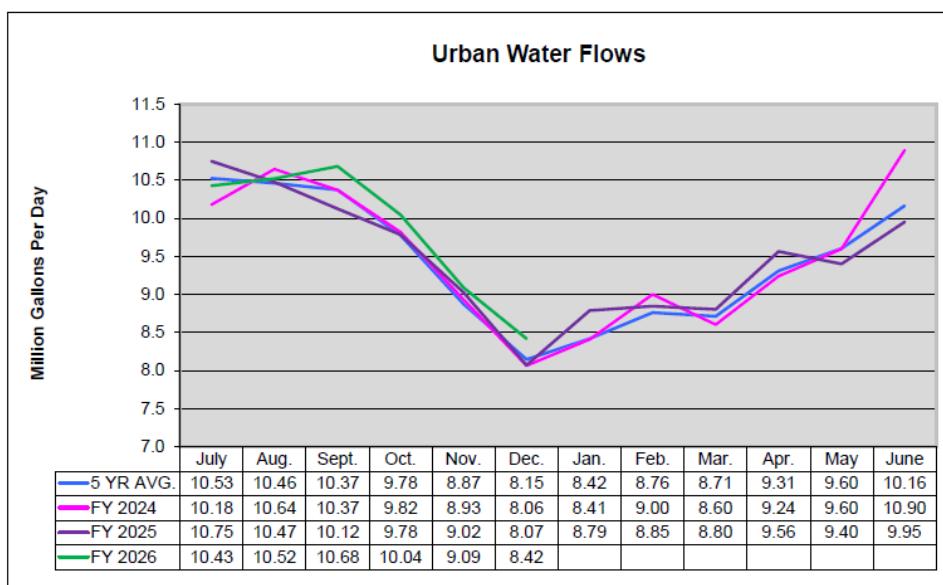
Councilors:

This quarterly update is to provide general information on the drinking water supply and treatment, wastewater collection and treatment, and refuse disposal and recycling programs managed by the Rivanna Authorities for the benefit of the Charlottesville/Albemarle community, as follows:

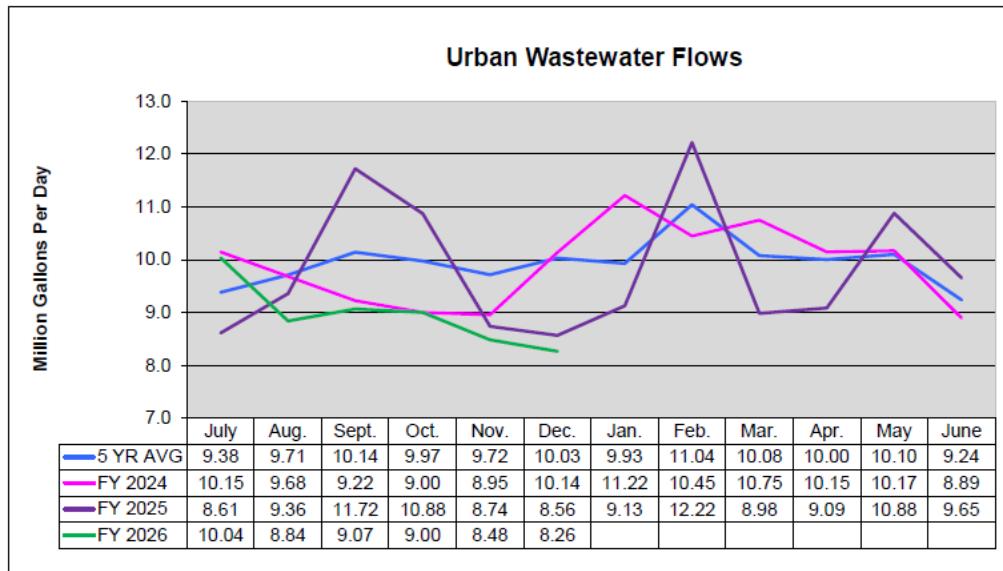
1. Drinking Water Supply:

- a. Our three Urban reservoirs (Sugar Hollow, South Rivanna, Ragged Mountain) are 92% full with a total storage capacity of about 1.4 billion gallons. Water demand in the Urban area (City and adjacent developed areas of the County) averaged about 8.4 million gallons per day (MGD) in December. We are monitoring our streams and reservoirs for any drought-like conditions due to lower-than-normal precipitation in November and December.
- b. Beaver Creek Reservoir (Crozet) is 100% full with a total storage capacity of about 500 million gallons. Water demand in Crozet averaged 0.56 MGD in December.
- c. Totier Creek Reservoir (Scottsville) is 100% full with a total storage capacity of about 155 million gallons. Water demand in Scottsville averaged 0.06 MGD (60,000 gallons) in December.

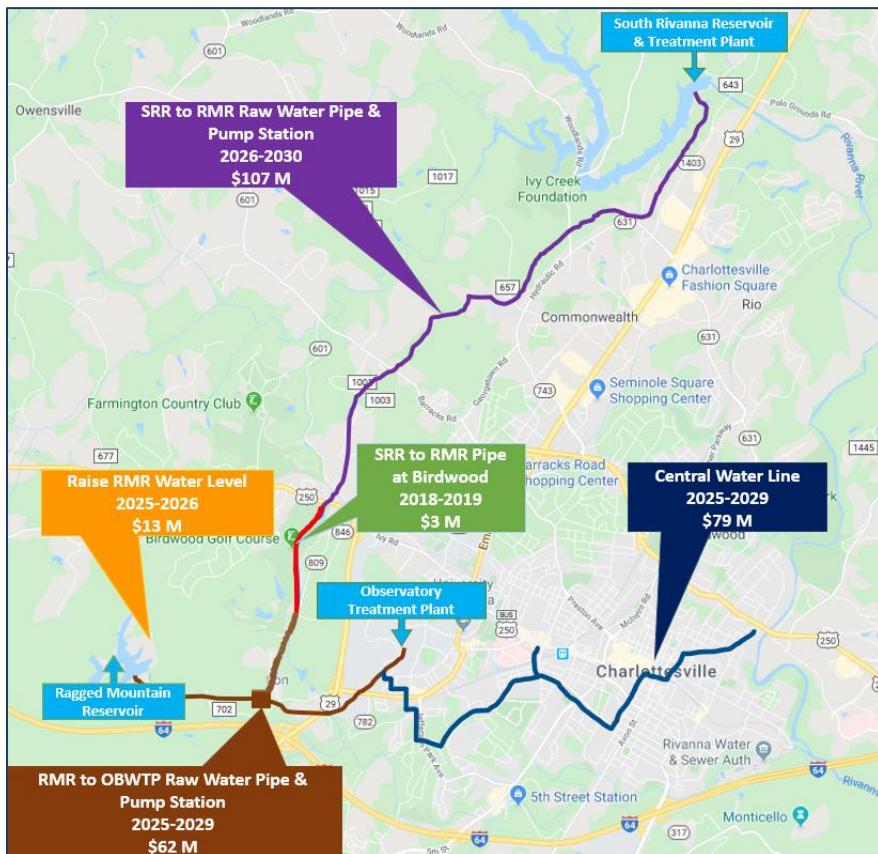
2. Production of drinking water for the Urban area averaged 8.42 MGD in December 2025 (FY 2026), which was higher than the five-year average for December (8.15 MGD) as shown by the following graph:



3. Urban wastewater treatment for December 2025 (8.26 MGD), including flows from Crozet but not from Scottsville, was below the five-year average for December (10.03 MGD) due to the lower-than-normal precipitation which reduced the unintended infiltration of stormwater into the wastewater system, as shown by the graph below:



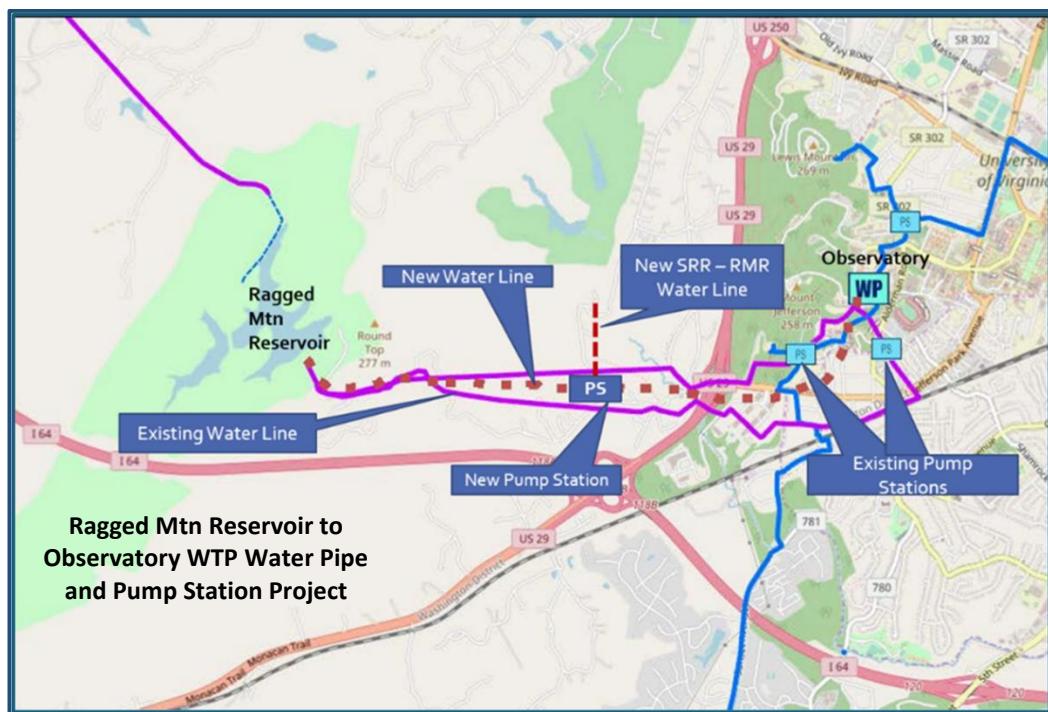
4. A general overview of significant current and future drinking water, wastewater and solid waste Capital Improvement Projects is provided below. Cost allocations between the Charlottesville Department of Utilities (Utility funds) and the Albemarle County Service Authority (ACSA), are identified for each water and sewer project, while general funds from the City and County are indicated for any solid waste (refuse and recycling) projects. Several of these generational projects are part of the community's Water Supply Plan established in 2012 to increase the capacity of our largest drinking water reservoir, as shown by the map below.



Construction is underway on the following projects:

a. Water Pipe and Pump Stations Replacement, Ragged Mtn Reservoir to Observatory Water Treatment Plant

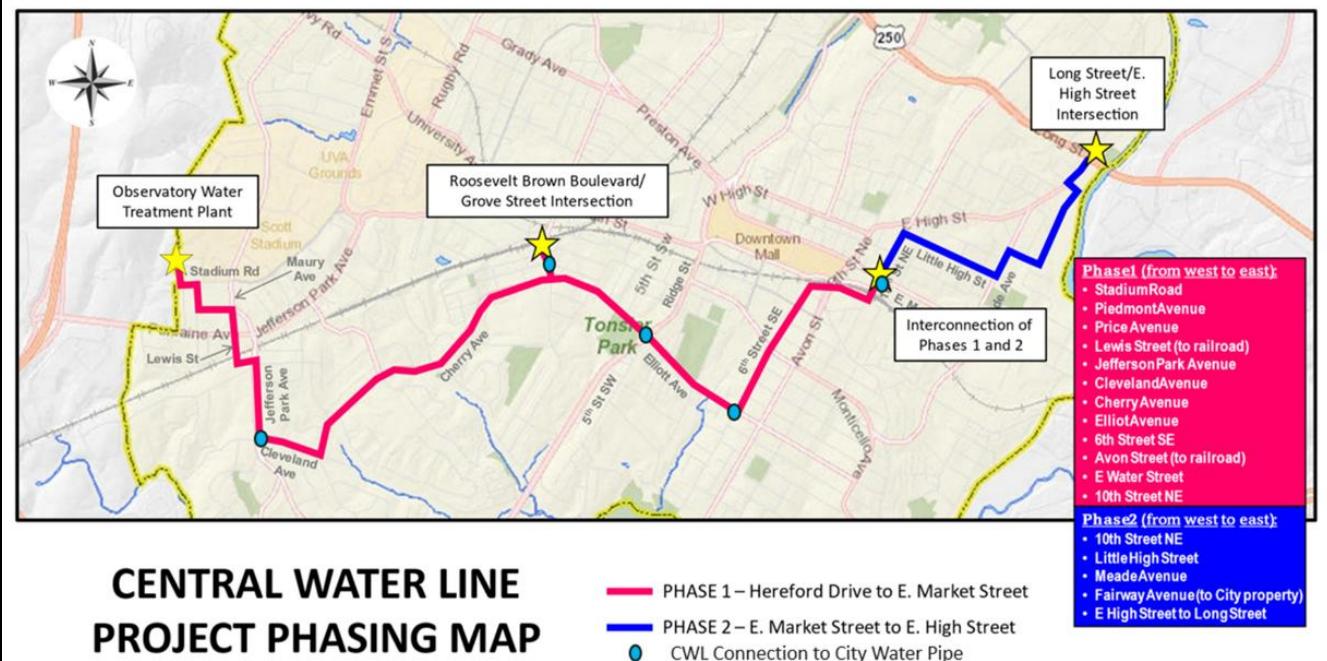
- Scope: Replace two water pipes and two water pumping stations with four miles of 36" ductile iron piping and one new water pumping station to convey untreated water from the Ragged Mtn Reservoir to the Observatory WTP. The existing facilities have reached the end of their service lives and require replacement to reliably provide untreated water to the recently upgraded Observatory WTP.
 - Completion: February 2025 – June 2029
 - Cost: \$62 million: 52% ACSA / 48% City Utilities



b. Urban Area “Central Water Line”

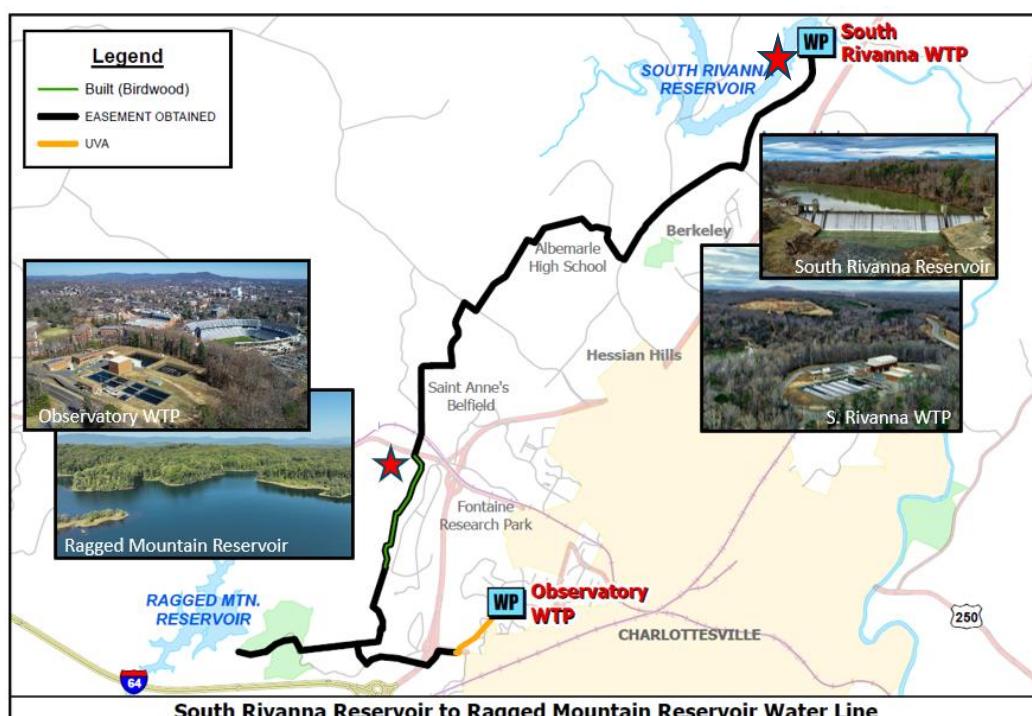
- Scope: Provide large diameter piping (24" and 36" ductile iron) to more effectively distribute drinking water for the benefit of City and County residents and businesses. This five-mile-long piping project with two railroad crossings will extend from the Stadium Road area to the Long Street bridge near Pantops. The project will be completed in two concurrent phases of work, as shown by the map below, due to underground conflicts in E. High Street which delayed design of the piping in that area. Pipe installation is currently being completed along Lewis St. and will proceed under the railroad track and in Jefferson Park Ave in February/March. Information meetings are being held with communities along the alignment as construction approaches those areas.
 - Completion: November 2025 – December 2029
 - Cost: \$79 million: 52% ACSA / 48% City Utilities

Central Water Line Project



c. South Rivanna Reservoir to Ragged Mountain Reservoir Pipe and Pump Station

- Scope: Construct a 6.5 mile long, large diameter pipe (36" ductile iron) and pump station to transfer untreated water between the South Rivanna and Ragged Mtn Reservoirs, as required by the community's drinking water supply plan. The new pipe will connect to an existing pipe near Birdwood GC and Rt. 250W. A new pump station and raw water intake structure will be completed at the South Rivanna Reservoir. This infrastructure will increase water storage capacity of the Ragged Mtn Reservoir from 1.4 to 2.1 billion gallons.
- Completion: March 2026 – December 2030
- Cost: \$107 million: 80% ACSA / 20% City Utilities



d. Ragged Mtn Reservoir Water Level Increase

- Scope: Clearing of vegetation around the reservoir and minor modifications to the intake tower to increase the normal pool level 12 feet and provide 700 million gallons of additional water storage capacity in the reservoir.

The height of the dam will not be increased as it was built to the maximum elevation when constructed in 2014. The trails around the reservoir were also constructed above the maximum water elevation in 2014 and will not be significantly impacted by the project. Sections of the park and trails will be closed while trees and vegetation near the trails are being cleared. A project information meeting was held in August 2025 with neighbors along Reservoir Road and others from the community.

- Completion: September 2025 - December 2026
- Cost: \$13 million: 80% ACSA / 20% City Utilities

e. South Rivanna River Crossing

- Scope: Provide a second pipe (24" diameter; 1200 feet long) to convey treated drinking water under the river using trenchless technology. The second pipe will provide a redundant water supply and increase capacity to serve the northern area of the Urban Water System.
- Completion: January 2025 – January 2027
- Cost: \$6.5 million: 100% ACSA

f. Red Hill Water Treatment Plant Upgrade

- Scope: Provide additional building space to house additional water treatment equipment including a granular activated carbon filter.
- Completion: January 2025 – June 2027
- Cost: \$2 million: 100% ACSA, with partial grant from County

g. Baling Facility, Ivy Solid Waste and Recycling Center

- Scope: Replace the existing recycling materials baling facility which is located on leased property and has exceeded its service life. The new facility will include equipment to compress cardboard, mixed paper, and plastic products into separate bales before shipment to a receiving vendor.
- Completion: May 2025 – July 2026
- Cost: \$6 million: 70% Albemarle County / 30% City

h. Moores Creek Administration Building Renovation and Addition

- Scope: Renovate the existing administration building constructed in the 1980's, including improvements to the Laboratory and Information Technology spaces. The project also includes a building addition providing spaces for a community education area and staff currently housed in temporary trailers, as well as future staffing.
- Completion: August 2025 – December 2027
- Cost: \$27.6 million: 52% ACSA / 48% City Utilities

- i. Moores Creek Structural and Concrete Rehabilitation
 - Scope: Repair of concrete basins and wastewater treatment facilities constructed in the late 1970's.
 - Completion: May 2025 – May 2027
 - Cost: \$15.5 million: 52% ACSA / 48% City Utilities
- j. Moores Creek Upfits and Gravity Thickener Improvements
 - Scope: Renovate the Maintenance and Operations buildings and repair the sludge gravity thickener system and secondary clarifier influent valves.
 - Completion: May 2025 – May 2027
 - Cost: \$11.8 million: 52% ACSA / 48% City Utilities
- k. Crozet Wastewater Pump Stations Rehabilitation
 - Scope: Replace pumps, valves, and electrical gear in four pump stations constructed in the 1980's which convey wastewater from Crozet to the Moores Creek Treatment Plant.
 - Completion: April 2026 – April 2028
 - Cost: \$12.3 million: 100% ACSA

Construction will begin in 2026 for the following projects:

- l. Crozet Water Treatment Plant GAC Expansion
 - Scope: Provide additional building space and equipment to increase the water treatment capacity of the granular activated carbon filter system from 1 to 2.7 million gallons per day.
 - Completion: March 2026 – May 2028
 - Budget: \$12 million: 100% ACSA with \$7 M VDH grant
- m. Glenmore Wastewater Treatment Plant Repairs
 - Scope: Replace treatment equipment which has reached the end of its service life.
 - Completion: June 2026 – June 2029
 - Budget: \$2 million: 100% ACSA
- n. Beaver Creek Pump Station and Piping Improvements
 - Scope: Replace the water pump station and piping which convey untreated water from the reservoir to the Crozet Water Treatment Plant.
 - Completion: September 2026 – December 2029
 - Cost: \$34 million: 100% ACSA

Construction is anticipated in 2027 for the following projects:

- o. Beaver Creek Reservoir Dam and Spillway Modifications
 - Scope: Replace the spillway to increase the volume of water the spillway can release from the reservoir to protect the dam.

- Completion: January 2027 – December 2030
- Cost: \$38 million: 100% ACSA with partial federal grant

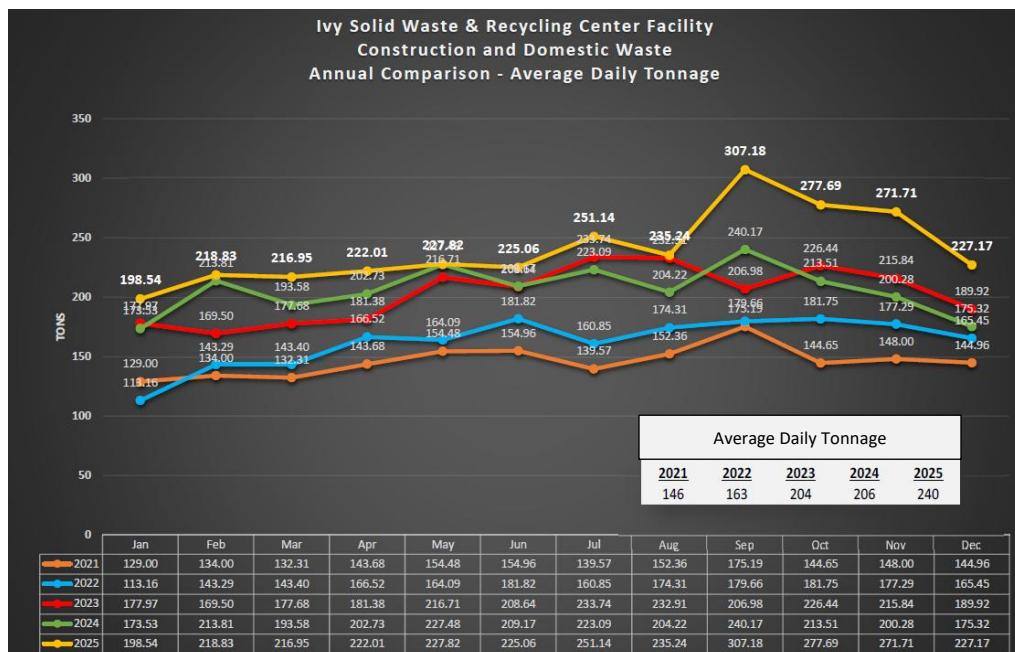
p. Upper Schenks Branch Wastewater Piping Replacement, Phase II

- Scope: Replace sewer piping installed in the mid 1950's to increase system capacity in conjunction with the City's sewer upgrade program. The new piping will be located along McIntire Road between the McIntire Recycling Center and Preston Avenue.

- Completion: TBD
- Cost: \$10 - 15 million: 100% City Utilities

5. Transfers from the Ivy Solid Waste and Recycling Center:

Average daily refuse volume at the Ivy Transfer Station has increased from 145 tons per day in 2021 to 227 tons per day in 2025, as shown below. Our contract hauler is driving about 15 trailer loads of refuse to Henrico County for disposal each day, Monday – Friday.



6. Ivy Solid Waste and Recycling Center Cashless Program

On February 2, 2026, customers will be required to pay with credit/debit cards or checks. Cash will no longer be accepted. Information about this change was communicated to customers by:

- September 2025: Seven large banner signs (8 ft x 4 ft) posted at the Ivy SWRC
- September 2025 and January 2026: Press Releases to media outlets
- September 2025: Notices posted on our website and social media accounts
- November 2025: Began handing out flyers to cash-paying customers at the Ivy SWRC
- January 2026: Community Newsletter to 5000 subscribers



Flyer Front



7. RSWA Special Collection Days

The Ivy SWRC will host Spring Special Collection free disposal and recycling events.

Spring 2026 Special Collection Days
at Ivy Solid Waste & Recycling Center
4576 Dick Woods Road, Charlottesville
for Albemarle County & Charlottesville Residents

E – Waste
(space is limited, pre-registration required)
Saturday, April 11th 9am – 3pm

Household Hazardous Waste
Friday, April 17th 9am – 3pm
Saturday, April 18th 9am – 3pm

Special Collection Days
Saturday, April 25th 8:30am – 4pm
Furniture/Mattresses

Saturday, May 2nd 8:30am – 4pm
Household Appliances

Saturday, May 9th 8:30am – 4pm
Tires

More information: www.rivannasolidwaste.org/events/
Brought to you by the County of Albemarle, City of Charlottesville, and RSWA
Working to Protect and Improve Our Environment!



Please let me know if you have any questions.

Sincerely,



William I. Mawyer, Jr., P.E.
Executive Director

cc: RSWA Board of Directors
 RWSA Board of Directors