

INTRODUCED: May 29, 2018

AN ORDINANCE No. 2018-164

To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 1606 Sewell Street and to authorize the conveyance of such property for \$14,003.61 to ElderHomes Corporation for the purposes of eliminating blight and making such property available for redevelopment.

Patrons – Mayor Stoney and Ms. Robertson

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JUNE 25 2018 AT 6 P.M.

WHEREAS, pursuant to sections 58.1-3970 and 58.1-3970.1 of the Code of Virginia (1950), as amended, the City of Richmond is authorized to acquire tax delinquent properties sold pursuant to sections 58.1-3965 through 58.1-3974 of the Code of Virginia (1950), as amended, or pursuant to any other provision of law for the enforcement of tax liens; and

WHEREAS, the property located at 1606 Sewell Street and identified as Tax Parcel No. N000-0335/006 in the 2018 records of the City Assessor, is eligible to be sold at a judicial sale for delinquent taxes; and

WHEREAS, the City desires to acquire the aforesaid property for the purposes of eliminating blight and making such property available for redevelopment; and

AYES: 8 NOES: 0 ABSTAIN: _____

ADOPTED: JUNE 25 2018 REJECTED: _____ STRICKEN: _____

WHEREAS, any such acquisition is subject to the approval of the Circuit Court of the City of Richmond; and

WHEREAS, upon acquisition, the City desires to convey the aforesaid property to ElderHomes Corporation by special warranty deed for the purposes of eliminating blight and making such properties available for redevelopment; and

WHEREAS, the Chief Administrative Officer's authority to convey the aforesaid property ElderHomes Corporation is contingent upon the City's acquisition of the aforesaid properties and is, therefore, null and void if the Circuit Court of the City Richmond should reject the City's offer to acquire;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That pursuant to sections 58.1-3970 and 58.1-3970.1 of the Code of Virginia (1950), as amended, the Chief Administrative Officer, or the designee thereof, is hereby authorized to acquire, at a tax delinquent judicial sale, the property located at 1606 Sewell Street and identified as Tax Parcel No. N000-0335/006 in the 2018 records of the City Assessor, for the purposes of eliminating blight and making such property available for redevelopment.

§ 2. That upon acquisition of said property and in accordance with section 8-68 of the Code of the City of Richmond (2015), as amended, the Chief Administrative Officer, or the designee thereof, is hereby authorized on behalf of the City of Richmond to convey the property located at 1606 Sewell Street and identified as Tax Parcel No. N000-0335/006 in the 2018 records of the City Assessor, to ElderHomes Corporation for \$14,003.61 for the purposes of eliminating blight and making such property available for redevelopment. Such sale shall be subject to and

conditioned upon appropriate requirements, limitations or conditions to encourage the redevelopment of the subject property and the elimination of blight.

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



CITY OF RICHMOND
INTRACITY CORRESPONDENCE

O & R REQUEST

APR 19 2018
4-7729
Office of the
Chief Administrative Officer

O&R REQUEST

DATE: May 14, 2018

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: Selena Cuffee-Glenn, Chief Administrative Officer

THROUGH: Lenora Reid, Deputy Chief Administrative Officer for Finance & Administration

THROUGH: John Wack, Director of Finance

THROUGH: Peter L. Downey, Deputy Chief Administrative Officer for Planning & Economic Development

FROM: Nicholas Feucht, Special Assistant to the DCAO

RE: Sale and transfer of three (3) tax delinquent parcels to Project: HOMES for the purpose of rehabilitating three historic properties for affordable homeownership.

ORD. OR RES. No. _____

PURPOSE: To declare that a public necessity exists and to authorize the Chief Administrative Officer or designee, for and on behalf of the City of Richmond, to acquire via the tax delinquent judicial sale process the property located at:

- 1611 Monteiro Street with Tax Parcel No. N000 0335 014
• 1708 Monteiro Street with Tax Parcel No. N000 0334 010
• 1606 Sewell Street with Tax Parcel No. N000 0335 006

and to authorize the conveyance of such property through a special warranty deed to Project: HOMES for the purposes making such property available for redevelopment. Each parcel will be bound by a developer agreement.

REASON: The properties represent blighted parcels that the city seeks to sell through a process established by the Commonwealth of Virginia for the disposition of tax delinquent property as set forth in Section 58.1-3970.1 of the Code of Virginia). These properties would be sold to Project: HOMES as part of the Gateway Corridor Revitalization Project. This is a partnership

EDITION 1
RECEIVED

MAY 03 2018

OFFICE OF CITY ATTORNEY

4-17-18

between Project: HOMES and Historic Richmond as a way to revitalize the historic gateway corridor into Southern Barton Heights, while providing affordable housing to below median income homeowners, and preserving the rich architectural and cultural fabric of this historic neighborhood.

RECOMMENDATION: Approval is recommended by the City Administration.

BACKGROUND: As part of the city's neighborhood revitalization efforts, the city sometimes acquires tax delinquent properties pursuant to Sections 58.1-3965 and 58.1-3970 of the Code of Virginia. The City endeavors to return the properties to productive use. The three properties to be rehabilitated (1606 Sewell Street, 1611 Monteiro Street and 1708 Monteiro Street) are vacant, tax delinquent properties situated in the first two blocks north of the viaduct along this key gateway corridor into Southern Barton Heights. Each reflects an architectural style and possesses architectural details characteristic of the historic neighborhood fabric. Project: HOMES better the housing and living conditions of Central Virginians through the construction of high quality affordable housing, large-scale home repairs, and improved accessibility and energy efficiency of existing homes. Project: HOMES recently rehabilitated 1614 Sewell Street, a nearby Late Victorian home, in a similar project. Historic Richmond's mission is to shape the future of Richmond by preserving our distinctive historic character, sparking revitalization and championing our past and future architectural legacy. Historic Richmond will provide a Revolving Fund grant in an aggregate amount for each property not to exceed \$75,000 to repair, restore and/or replace the distinctive architectural details and features of the properties

Each parcel has delinquent real estate taxes or a lien against the parcel for removal, repair or securing of a building or structure; removal of trash, garbage, refuse, litter; or the cutting of grass, weeds or other foreign growth; each parcel has an assessed value of \$50,000 or less, and such taxes and liens, together, including penalty and accumulated interest, exceed 50 percent of the assessed value of the parcel or such taxes alone exceed 25 percent of the assessed value of the parcel. The City intends to petition the circuit court to appoint a special commissioner to execute the necessary deed or deeds to convey the real estate to the City in lieu of the sale at public auction.

FISCAL IMPACT / COST: Legal fees and expenses incurred by the City to make this property available for transfer in the amount of \$7,983.03 and total outstanding delinquent taxes on the parcels will be paid by the Project: HOMES to the City when title is transferred.

FISCAL IMPLICATIONS: The City will recoup taxes in arrears in the amount of \$38,825.56. When the three houses are rehabilitated, the properties will be reassessed at a higher value and there will be an increase in property taxes. Current assessed improvement value (building) for the three properties is \$124,000; it is anticipated that a minimum of \$270,000 will be invested in rehabilitating the three properties, thereby more than doubling the improvement (building) value.

BUDGET AMENDMENT NECESSARY: No

O&R Request

Page 3 of 5

REVENUE TO CITY: The City will collect \$38,825.56 in taxes due in arrears and \$7,983.03 in expenses and legal fees for a total of \$46,728.09.

DESIRED EFFECTIVE DATE: Upon Adoption

REQUESTED INTRODUCTION DATE: May 14, 2018

CITY COUNCIL PUBLIC HEARING DATE: May 29, 2018

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Land Use, Housing and Transportation

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Economic and Community Development, Planning and Development Review, Law, Finance

RELATIONSHIP TO EXISTING ORD. OR RES.: None

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: Project Description
Developer Agreement

STAFF: Nicholas Feucht, Special Assistant to the DCAO for Economic Development and Planning

ATTACHMENT A

MISSION

Anna Julia Cooper Episcopal School is an independent, faith-based school providing full-tuition scholarships to 4th – 8th grade students of limited economic resources primarily from Richmond's East End. Through a program focused on the whole child, we help empower students and graduates to change the trajectory of their lives, setting their sights on success in high school, college, and serving their communities. We value all staff, parents and volunteers as integral to our success as a School and a 'community of affection.'

VISION

Our vision is to provide students with the tools necessary to help ensure them the opportunity for a full and meaningful life. For many of our students, this will mean continuing on to college after high school graduation. For all of our students, it means developing the self-confidence, strength of character, academic skills and sense of hope needed to open the door to a promising future.

VALUES

Shared beliefs and principles that guide our day-to-day activity and behavior.

A Comprehensive Education

We are committed to the academic, social, emotional, physical and spiritual well-being of each student.

Nurturing Environment

We foster a community of students, teachers, families, volunteers, alumni, and partners that is defined by mutual love and respect and where all are responsible and accountable.

Spirituality

We listen to and are guided by God and our faith community.

Individuality

We recognize each student is unique. We work to unlock the potential in every student.

Excellence

We strive to continually improve every aspect of the life and work of the School.

Gateway Corridor Revitalization Project

Summary:

- The Gateway Corridor Revitalization Project will be a partnership among two area nonprofits – Project: HOMES and Historic Richmond - and the City of Richmond to revitalize a historic gateway corridor into Southern Barton Heights, while (1) providing affordable housing to below median income homeowners, and (2) preserving the rich architectural and cultural fabric of this historic neighborhood.

About the Gateway Corridor:

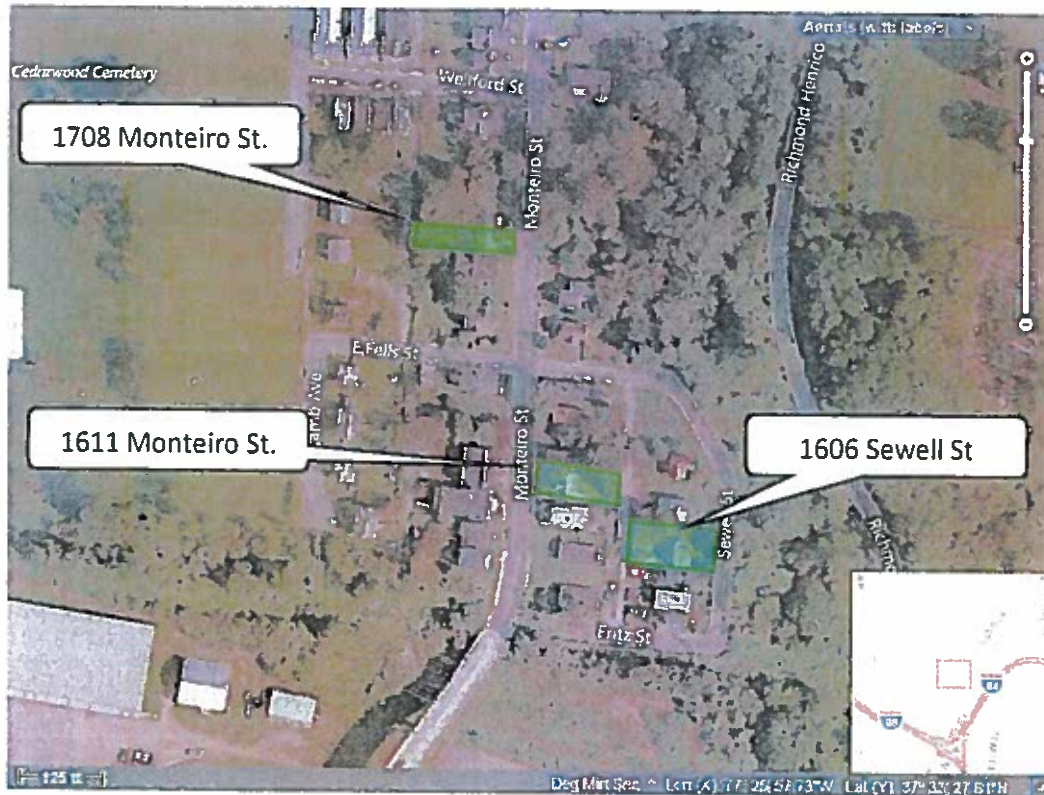
- The Barton Heights Historic District (listed on the National Register of Historic Places) is among the earliest of several turn-of-the-century streetcar suburbs in north Richmond. Characterized by wood frame houses, most built in the Late Victorian, Queen Anne or Colonial Revival style in the first quarter of the twentieth-century, the neighborhood's development was facilitated by the 1890 construction of the First Street Viaduct, a steel frame structure linking Richmond's downtown to the district's "heights," by bridging the industrial area at the foot of the Bacon Quarter Branch ravine.
- The three properties to be rehabilitated (1606 Sewell Street, 1611 Monteiro Street and 1708 Monteiro Street) are vacant, tax delinquent properties situated in the first two blocks north of the viaduct along this key gateway corridor into Southern Barton Heights. Each reflects an architectural style and possesses architectural details characteristic of the historic neighborhood fabric.

Project Entities:

- **Project: HOMES**
 - Project: HOMES betters the housing and living conditions of Central Virginians through the construction of high quality affordable housing, large-scale home repairs, and improved accessibility and energy efficiency of existing homes.
 - Project: HOMES recently rehabilitated 1614 Sewell Street, a nearby Late Victorian home, in a similar project.
 - CDBG funds [(approximately \$65,000 per property)] to be utilized by Project: HOMES. Properties to be rehabilitated for affordable homeownership.
- **Historic Richmond Foundation**
 - Historic Richmond's mission is to shape the future of Richmond by preserving our distinctive historic character, sparking revitalization and championing our past and future architectural legacy.
 - Historic Richmond will provide a Revolving Fund grant in an aggregate amount not to exceed \$75,000 to repair, restore and/or replace the distinctive architectural details and features of the properties (described in more detail below).

Project Properties:

- The three project properties, individually and collectively, were selected strategically to serve as catalysts for further revitalization in the Barton Heights historic district and for the increased use and enjoyment of the neighborhood.



1. Three project properties in Southern Barton Heights.

- The three project properties, while not the most significant buildings in the neighborhood, represent good to excellent examples of each of the characteristic architectural styles found in the neighborhood – the Late Victorian, Queen Anne and Colonial Revival.
 - Characterized by wood frame houses, most built in the Late Victorian, Queen Anne or Colonial Revival style in the first quarter of the twentieth-century, the neighborhood's homes were built primarily on a speculative basis for tradesmen and middle-class professionals. The Late Victorian style buildings in Barton Heights (built in the 1890s) are typically wood frame, detached, single family houses with steep pitched gable roofs covered with standing-seam metal. The Queen Anne style homes in Barton Heights (built 1890s-1920s) typically are wood framed structures with complex roof forms, angled bays, and wrap-around porches with turrets, spindle friezes and neoclassical columns. The Colonial Revival style buildings in Barton Heights (built in the 1900s-1950s) are characterized by simpler massing and details.
 - While the district is designated as a National Register Historic District, there are no City of Richmond historic or architectural protections on the properties. Thus, the project will collectively preserve and rehabilitate good to excellent examples

of each of the characteristic architectural styles found in this early streetcar neighborhood.

- Each property is geographically located within close proximity to each other, is a visible presence along a primary gateway corridor into the Southern Barton Heights neighborhood, and is sized appropriately for a below median income homeowners. Their rehabilitation, individually and collectively, is intended to:
 - return vacant properties to owner-occupants;
 - return tax delinquent properties to the City's tax rolls;
 - encourage homeownership in not only these properties but also nearby properties;
 - serve as a catalyst and build momentum for further revitalization;
 - strengthen community; and
 - retain the key architectural fabric that makes Richmond unique, beautiful, and authentic.
- While our research is ongoing, the key details relating to each project property are described below:

1. 1606 Sewell Street (c. 1890) – Late Victorian Period

The Late Victorian style buildings in Barton Heights are typically wood frame, detached, single family houses with steep pitched gable roofs covered with standing-seam metal. In contrast to the Queen Anne style houses found in the neighborhood, these are more vertically oriented, with less exuberant detail. In Barton Heights there are only two rows of Late Victorian style houses, as well as a few other isolated examples. A group of small-scale, L-shaped, Late Victorian houses can be found in a single block of Sewell Street: 1600, 1604, 1606, 1610, and 1614 Sewell Street, all constructed circa 1890. The condition of these houses vary from demolished (1604 Sewell) to recently rehabilitated (1614 Sewell).



2016 survey photo.

The single family dwelling at 1606 Sewell Street is representative of a Late Victorian style building in Barton Heights. While the house is in poor condition, it retains much of its original fabric and architectural integrity.

Its significant architectural features include:

- Steep pitched cross gable roof covered with standing seam metal
- Semi-circular dormer on the front façade
- Flared eaves with curved rafter ends

- Central brick chimney
- Two-over-two double-hung windows
- One story porch

2. 1611 Monteiro Street (c. pre-1910) – Queen Anne Cottage



1980s Historic Richmond survey photo



2016 survey photo.

As initially developed, the streets of Barton Heights were lined with wood frame houses with complex roof forms, angled bays, and wrap-around porches with turrets, spindle friezes and neoclassical columns. Monteiro, Barton, and Lamb Avenues boast several outstanding examples of the Queen Anne style.

The single family dwelling at 1611 Monteiro Street was constructed prior to 1910 and is much less flamboyant than several of the other Queen Anne style houses. It is distinguished as the only one-and-a-half story dwelling in the district. In Historic Richmond's 1980s survey of the neighborhood, this dwelling was described as rare, an excellent representative of its type, and of great importance in its milieu.

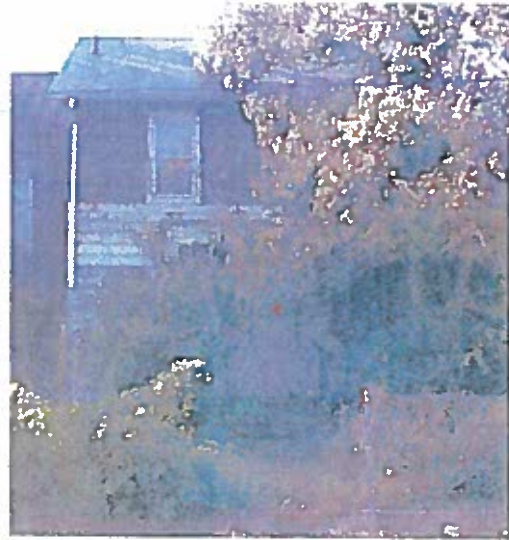
Its key architectural features include:

- Steep gable roof with gabled dormer and balustrade balcony
- Wrap around porch with square posts and gingerbread work
- Projecting polygonal entrance bay with transom and sidelights

3. 1708 Monteiro Street (c. 1920) – Colonial Revival



1930s Historic Richmond survey photo



2016 survey photo.

Houses of simpler massing and generic details, recalling American Colonial architecture, are prevalent in Barton Heights. In Barton Heights, the Colonial Revival style is expressed in rectangular massing, simple molded casings, box cornices, and symmetrical window openings. The neighborhood contains examples of large high-style single family dwellings, to smaller, worker cottages, to larger, apartment buildings. Adjacent to this property, 1710 Monteiro Street is a sister house and shares many of the same architectural details as 1708 Monteiro Street.

The single family dwelling at 1708 Monteiro Street was constructed circa 1920. It is a two-story, frame house with a side gabled roof and central interior chimney. Some of its key architecture features include:

- Overhanging roof eaves with exposed rafters
- Combination of wood siding and shingles on the exterior walls
- Flat roof portico with square columns and lattice-work
- Six-over-one double hung sash windows

Prepared By:
Richmond Office of the City Attorney
900 East Broad Street
Richmond, VA 23219

18-25711

Tax Map/GPIN Numbers: N000-0335/006, N000-0334/010, N000-0335/014

Assessed Value: \$204,000.00
Consideration: \$41,464.15

THE EXISTENCE OF TITLE INSURANCE IS UNKNOWN TO THE PREPARER
THIS INSTRUMENT IS EXEMPT FROM GRANTOR TAX PURSUANT TO THE PROVISIONS OF
VA. CODE SECTIONS 58.1-811(C)(4) and 58.1-3965.

SPECIAL WARRANTY DEED

THIS DEED is made this 19th day of December 2018 between the City of Richmond, Virginia, ("Grantor") and ElderHomes Corporation, a Virginia non-stock corporation ("Grantee").

WITNESSETH:

WHEREAS, by recordation of the Deed, Grantee represents that the conveyance of the Property upon terms and conditions specified is acceptable to the Grantee; and

NOW, THEREFORE, for consideration of the sum of \$41,464.15, cash in hand paid, the receipt of which is hereby acknowledged, and in consideration of the Grantee's intended use of the Property, the Grantor does hereby grant, bargain, sell and convey, with SPECIAL WARRANTY OF TITLE, unto the Grantee, the Property located in the City of Richmond, Virginia as described in Exhibit "A", attached hereto and made a part hereof.

The Property is conveyed subject to any easements, conditions, restrictions and agreements of record that lawfully apply to the Property or any part hereof.

The Property is conveyed subject to the terms of a certain Development Agreement between the Grantor and the Grantee dated December 19, 2018, a copy of which is attached hereto as Exhibit "B", the terms of which are incorporated herein.

The Property is conveyed subject to the terms of City of Richmond Ordinance Nos. 2018-164, 2018-165, and 2018-166 all adopted on the 25th day of June, 2018, copies of which are attached hereto collectively as Exhibit "C", the terms of which are incorporated herein.

IN WITNESS WHEREOF, the Grantor has caused this Deed to be executed on its behalf by its duly authorized representative.

City of Richmond

By: [Signature]
Selena Cuffee-Glenn
Chief Administrative Officer

COMMONWEALTH OF VIRGINIA
CITY OF RICHMOND, to-wit:

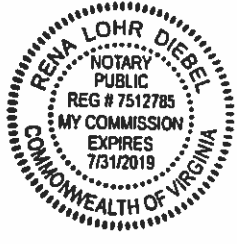
The foregoing Deed was acknowledged before me on December 19, 2018, by Selena Cuffee-Glenn, Chief Administrative of the City of Richmond, Virginia on behalf of the Grantor, as authorized by Ordinance Nos. 2018-164, 2018-165, 2018-166, all adopted June 25, 2018.

[Signature]

Notary Public # 7512785 My Commission expires: 7/31/19

Prepared and approved as to form:

[Signature]
Bonnie M. Ashley, Esquire
Deputy City Attorney
Office of the City Attorney
City of Richmond, Virginia



GRANTEE'S ADDRESS:

88 Carnation Street
Richmond, Virginia 23225

EXHIBIT "A"
PROPERTY DESCRIPTION

Parcel A
1606 Sewell Street
Map No. N0000335006

ALL that certain lot of land, with improvements thereon, numbered 1606 Sewell Street (formerly Summit Avenue), lying and being in the City of Richmond, Virginia, designated as Lots 15 and 16 and Lot 2 on James H. Barton's Viaduct, Subdivision, and bounded as follows, to wit:

BEGINNING at a point on the western line of Sewell Street, formerly Summit Avenue, distance thereon 90 feet northwardly from Fritz Street, thence extending northwardly along and fronting on the western line of Sewell Street (formerly Summit Avenue) 60 feet, thence from said front extending back westwardly between parallel lines with Fritz Street 120 feet to an alley 14 feet wide.

BEING the same property conveyed to the City of Richmond, Virginia, a municipal corporation, of the Commonwealth of Virginia by Special Warranty Deed from Gregory Lukanuski, Special Commissioner, Jamie M. McNeal, dated December 19, 2018 and recorded December 19, 2018, in the Clerk's Office, Circuit Court, City of Richmond, Virginia, immediately prior hereto.

Parcel B
1611 Monteiro Street
Map No. N0000335014

ALL THAT certain lot, piece or parcel of land with all improvements thereon, designated as No. 1611 Montelro Avenue (formerly No. 111 Montelro Avenue), lying and being in the City of Richmond, Virginia. Fronting 44 feet 9 inches on the East Side of Monteiro Avenue, between Fells and Fritz Streets, and extending back from said frontage between parallel lines 120 feet to an alley 14 feet wide, the same being all of Lot No. 7 and the Northern part of Lot No. 6, in Block 2, in James N. Barton's Viaduct Subdivision.

BEING the same property conveyed to the City of Richmond, Virginia, a municipal corporation, of the Commonwealth of Virginia by Special Warranty Deed dated December 19, 2018 and recorded December 19, 2018, in the Clerk's Office, Circuit Court, City of Richmond, Virginia, immediately prior hereto, from Gregory Lukanuski, Special Commissioner, and the Charles Harvey Davis, Sr., Irrevocable Trust.

PG 0163 DEC 19 2018

Parcel C
1708 Monteiro Street
Map No. N0000334010

ALL that certain lot, piece or parcel of land, together with improvements thereon and appurtenances thereto belonging, known as 1708 Monteiro Avenue, lying and being in the City of Richmond, Virginia, on the west line of Monteiro Avenue.

BEGINNING at a point on said west line of Monteiro Avenue one hundred and eighty feet (180') south of its intersection with the southern line of Wellford Street; thence extending southwardly along and fronting on the said west line of Monteiro Avenue thirty feet (30'); thence extending back westwardly at right angles to said front and between parallel lines one hundred and forty feet (140') to an alley in common seventeen feet (17') wide, said lot is designated as lot #30 on a plat attached to a deed from Josephine Kann to A.J. Chewning and Edward S. Rose, dated December 16, 1889, and recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 129-A, page 31, being more particularly shown on a plat of survey made by Geo. M. Stephens, Jr. dated November 21, 1961, a copy of which is recorded in the Clerk's Office, Circuit Court, City of Richmond, Division I, Virginia in Deed Book 609-B, at page 252.

BEING the same property conveyed to the City of Richmond, Virginia, a municipal corporation, of the Commonwealth of Virginia by Special Warranty Deed from Gregory Lukanuski, Special Commissioner, and Solomon Johnson, dated December 19, 2018 recorded December 19, 2018, in the Clerk's Office, Circuit Court, City of Richmond, Virginia, immediately prior hereto.

PG 164 DEC 19

EXHIBIT "B"
Development Agreement

**NON-PROFIT HOUSING REHABILITATION
FOR AFFORDABLE HOME OWNERSHIP DEVELOPMENT AGREEMENT**

THIS AGREEMENT, made this 19th day of December, 2018, by and between the City of Richmond, Virginia, (hereinafter "CITY"), ElderHomes Corporation, a Virginia non-stock corporation, (hereinafter "Purchaser").

WITNESSETH:

WHEREAS, the Richmond City Council has authorized the Chief Administrative Officer to convey the herein described properties, also known as 1606 Sewell Street, Tax Map/GPIN# N0000335006, 1611 Monteiro Street, Tax Map/GPIN# N0000335014, and 1708 Monteiro Street, Tax Map/GPIN# N0000334010, Richmond, Virginia, (hereinafter the "Property") to ElderHomes Corporation, by way of Ordinance Nos. 2018-164, 2018-165, 2018-166, all adopted June 25, 2018; and

WHEREAS, the CITY agrees to sell and Purchaser agrees purchase, the Property more particularly described in Schedule A attached hereto, on the condition that Purchaser complete redevelopment and rehabilitation of, or construction of improvements to, the Property in accordance with the provisions of this Agreement:

NOW THEREFORE, THIS AGREEMENT FURTHER WITNESSETH:

**ARTICLE I
CONVEYANCE OF PROPERTY**

Section 1.01. Conveyance of 1606 Sewell Street, Tax Map/GPIN# N0000335006, 1611 Monteiro Street, Tax Map/GPIN# N0000335014, and 1708 Monteiro Street, Tax Map/GPIN# N0000334010. Subject to all of the terms, covenants and conditions of this Agreement, the CITY will convey, at the cost of \$41,464.15 to Purchaser, the Property described in Schedule A and attached hereto.

Section 1.02. Acceptance of Improvements on the Current Property "As Is" - Condition of Property on Delivery. Purchaser agrees to accept the Property "as is."

Section 1.03. Prorated Items. Utilities, insurance, rent and other charges, if any, on the Property shall be prorated as of the Closing Date.

**ARTICLE II
CONVEYANCE OF PROPERTY - CLOSING DATE**

Section 2.01. Form of Deed. The CITY will convey to Purchaser title to the Property by Special Warranty Deed. The conveyance and title shall be subject to the covenants, restrictions,

limitations and conditions contained in this Agreement, which are hereby imposed as covenants running with and binding on the land.

Section 2.02. Time and Place for Delivery of Deed - Closing Date. The CITY shall deliver the deed and possession of the Property to Purchaser on such date as mutually agreed upon (herein the "Closing Date").

Section 2.03. Recordation of Deed. The CITY shall promptly file the deed for recordation in the Richmond Circuit Court Clerk's Office. Purchaser shall pay all costs for recording the deed.

**ARTICLE III
OBLIGATION TO REHABILITATE AND REPAIR**

Section 3.01. Purchaser Obligated to Rehabilitate and Construct Improvements. Purchaser shall: a) within six (6) months of the date of delivery of the aforesaid Special Warranty Deed by the CITY to the Purchaser, obtain all necessary federal, state and City permits, approvals, authorizations for the rehabilitation or construction of a single-family residential dwelling on the Property; and b) within 24 months from the date of delivery of the Special Warranty Deed by the CITY to the Purchaser, rehabilitate the existing single-family family dwelling or construct a new single-family residential dwelling on the Property in accordance with all applicable state, federal and local laws, rules and regulations.

Section 3.02. Option of Purchaser to Consolidate Parcels. If the Property contains no structures on the date of this agreement, the Purchaser may consolidate the Property with the adjacent parcel, in lieu of constructing a dwelling on the Property as required by Section 3.01 if: 1) the lot width is less than or equal to thirty (30) feet; or 2) if the Purchaser owns the adjacent parcel whose lot width is less than or equal to thirty (30) feet. If Purchaser elects to consolidate the Property pursuant to this paragraph, Purchaser shall, within six (6) months of the date of delivery of the aforesaid Special Warranty Deed by the CITY to the Purchaser, obtain any necessary federal, state and City permits, approvals or authorizations and record a deed of consolidation.

Section 3.03. Design Approval of New Construction Plans. Purchaser is obligated to submit all plans for demolition and new construction to the Director of Planning and Development Review for approval within six (6) months of the date of delivery of the aforesaid Special Warranty Deed by the CITY to the Purchaser. The purchaser shall not demolish or remove existing improvements without approval from the Director of Planning and Development Review. New construction of dwelling units must be compatible in exterior design with the prevailing design character of the block in which the Property is located, as determined by the Director of Community Development. The Director of Planning and Development Review will evaluate construction plans to determine if the exterior design-materials, massing, prominent features,

height, elevations, roof form, fenestration, doors, and siting are compatible with the prevailing architecture on the block.

**ARTICLE IV
COMMENCEMENT AND COMPLETION OF CONSTRUCTION OF
IMPROVEMENTS - NO PARTNERSHIP - HOLD HARMLESS**

Section 4.01. Obligation of Purchaser to Complete Construction. Purchaser agrees to promptly begin and diligently complete the redevelopment or rehabilitation of the Property through the construction or rehabilitation of the Improvements thereon, and that the construction or rehabilitation shall in any event be completed within the period specified in Article III. It is intended and agreed that these agreements and covenants shall be covenants running with the land, binding for the benefit of the CITY, and enforceable by the CITY against Purchaser and its successors and assigns.

Section 4.02. CITY not a Partner or a Joint Venturer - CITY to be Held Harmless. Nothing in this Agreement shall be construed as making the CITY a partner or joint venturer with Purchaser and Purchaser shall indemnify and hold the CITY harmless of and from any loss, claims, or damage, including reasonable counsel fees, arising from the construction of Improvements on the Property.

**ARTICLE V
CERTIFICATE OF COMPLETION**

Section 5.01. Obligation of CITY to Furnish Certification. Promptly after completion of construction or rehabilitation of the Improvements on the Property, the CITY will furnish Purchaser with an appropriate instrument in recordable form so certifying. The certification by the CITY shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the covenants in the Agreement and the deed with respect to the obligations of Purchaser to construct or rehabilitate the Improvements and the dates for the beginning and completion thereof. Such determination shall be in the sole discretion of the CITY.

Section 5.02. Written Request on Failure to Provide Certification. If the CITY shall refuse or fail to provide the certification, the CITY shall, within thirty (30) days after written request by Purchaser, provide Purchaser with a written statement indicating in adequate detail how Purchaser has failed to complete the construction or rehabilitation of the improvements in conformity with this Agreement, or is otherwise in default, and what measures or acts will be necessary, in the opinion of the CITY, for Purchaser to take or perform in order to obtain the certifications.

**ARTICLE VI
AFFIRMATIVE COVENANTS**

Section 6.01. Affirmative Covenants. Purchaser and Purchaser's successors and assigns, and every successor in interest to the Property, or any part thereof, shall by reference to this Agreement in the deed be bound by the following covenants requiring Purchaser and Purchaser's successors and assigns to:

(a) Not discriminate upon the basis of race, color, religion, sex or national origin in the sale, lease or rental or in the use or occupancy of the Property or any improvements located or to be erected thereon, or any part thereof; and

(b) Comply with the regulations issued by the Secretary of Housing and Urban Development, and all applicable rules and orders issued thereunder, which prohibit the use of lead-based paint in residential structures undergoing federally assisted construction or rehabilitation and require the abatement of lead-based paint hazards.

(c) To surrender possession of, and any interest in, the Property upon any breach of this Agreement, including defaults on any financing secured by the Property, which the CITY, in its sole discretion, considers material.

(d) Keep the Property in good condition including, but not limited to, the mowing of grass, the removal of weeds and brush, the extermination of vermin and pests, and the removal of all garbage and trash.

**ARTICLE VII
COVENANTS - BINDING UPON SUCCESSORS IN INTEREST - PERIOD DURATION**

Section 7.01. Covenants to Run With Land. It is intended and agreed that the covenants provided in this Agreement shall be covenants running with the land binding to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the CITY, or any successor thereto, against Purchaser, and every successor in interest to the Property or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

**ARTICLE VIII
PROHIBITION AGAINST TRANSFER OF PROPERTY**

Section 8.01. No Transfer Prior to Completion of Improvements Without Prior Written Approval of the CITY. Purchaser has not made or created, and (except as permitted by Article IX) will not, prior to the fulfillment of the obligations described in Article III of this Agreement, make or suffer to be made any sale, assignment, conveyance, lease, or transfer in any other form, of the Property, or any part thereof or any interest therein, or contract or agree to do any of the same, without the prior written approval of the CITY.

**ARTICLE IX
LIMITATION UPON ENCUMBRANCE OF PROPERTY - ADVANCE NOTIFICATION**

Section 9.01. Limitation on Encumbrances. Prior to the fulfillment of the obligations of Article III of this Agreement, Purchaser shall not engage in any financing or other transaction creating any mortgage or other encumbrance or lien upon the Property, or any part thereof, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attached to the Property, or any part thereof, except for the purposes of obtaining funds only to the extent necessary for making the Improvements and completing the rehabilitation.

Section 9.02. CITY to be Notified in Advance of Secured Financing. Until the fulfillment of the obligations of Article III of this agreement, Purchaser shall notify the CITY in advance of any financing, secured by mortgage or other similar lien instrument, it proposes to enter into with respect to the Property, and of any encumbrance or lien that has been created on or attached to the Property or any part thereof, whether by voluntary act of Purchaser or otherwise.

**ARTICLE X
MORTGAGEES AND SUBSEQUENT TITLE HOLDERS
NOT OBLIGATED TO CONSTRUCT**

Section 10.01. Duty of Mortgage Holder to Complete Construction. The holder of any mortgage or deed of trust authorized by this Agreement (including any holder who obtains title to the Property or any part thereof as a result of foreclosure proceedings or an action in lieu thereof, but not including (a) any other party who thereafter obtains title to the Property or any part thereof from or through such holder or (b) any purchaser at a foreclosure sale other than the holder of the mortgage or deed of trust itself) shall not be obligated by the provisions of this Agreement to construct or complete the rehabilitation work or to guarantee such construction or completion; nor shall any covenant or any other provision in the Deed be construed to so obligate such holder. Nothing in this Section or any other Section or provision of this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses thereon other than those uses provided for or permitted under this Agreement

**ARTICLE XI
DELAY IN PERFORMANCE**

Section 11.01. Need for Request to Extend Time due to Enforced Delay. Neither the CITY nor Purchaser shall be considered in breach of or default in its obligations with respect to the preparation of the Property for redevelopment or rehabilitation or the commencement and completion of construction or rehabilitation of the Improvements, in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, as determined solely by the CITY. The time for the performance of the obligations shall be extended for the period of the delay, as determined solely by the CITY, if the

party seeking the extension shall request it in writing of the other party within ten (10) days after the beginning of the enforced delay.

**ARTICLE XII
REMEDIES**

Section 12.01. In General. Except as otherwise provided in this Agreement, in the event of any default in or breach of the Agreement, or any of its terms or conditions, by either party hereto, such party shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach, and, in such event, within sixty (60) days after receipt of such notice. In case such action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its option to cure and remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations.

Section 12.02. Revesting Title in CITY Upon Happening of Event Subsequent to Conveyance to Purchaser. In the event that subsequent to conveyance of the Property or any part thereof to Purchaser and prior to fulfillment of the obligations of Article III by Purchaser: (a) Purchaser shall default in or violate the obligations imposed by this Agreement with respect to the construction or rehabilitation of the Improvements (including the nature and the dates for the completion thereof), or shall abandon or substantially suspend construction or rehabilitation work, and any such default, violation, abandonment or suspension shall not be cured, ended or remedied within sixty (60) days after written demand by the CITY so to do; or (b) Purchaser shall fail to pay real estate taxes, if any, or assessments on the Property or any part thereof when due, or shall place thereon any encumbrance or lien unauthorized under Article IX of this Agreement, or shall suffer any levy or attachment to be made, or any materialmen's or mechanics' lien, or any other unauthorized encumbrance or lien to attach, and such taxes or assessment shall not have been paid, or the encumbrance or lien removed or discharged or provision satisfactory to the CITY made for such payment, removal, or discharge, within sixty (60) days after written demand by the CITY so to do; (c) there is, in violation of this Agreement, any transfer of the Property or any part thereof, and such violation shall not be cured within sixty (60) days after written demand by the CITY to Purchaser; or (d) there is any other violation of any of Purchaser's other covenants or obligations expressed in this Agreement; then the CITY shall have the right to reenter and take possession of and to terminate (and re-vest in the CITY) the title to such Property conveyed to Purchaser, it being the intent of this provision, together with other provisions of this Agreement, that the conveyance of the Property to Purchaser shall be made upon, and that the deed shall contain, a condition subsequent to the effect that in the event of any default, failure, violation or other action or inaction by Purchaser specified in subdivisions (a), (b), (c), and (d) of this Section 12.02, failure on the part of Purchaser to remedy, end, or abrogate such default, failure, violation or other action or inaction, within the period and in the manner stated in such subdivisions, the CITY at its option may declare a termination in favor of the CITY of the title and of all the rights and interests in and to that portion of the Property conveyed by the deed to

Purchaser that is affected by any of the foregoing events of default, and that such title and all Purchaser's rights and interests in such affected Property, shall revert to the CITY; Provided, that any reversion of title as a result thereof in the CITY shall always be subject to and limited by, shall not defeat, render invalid or limit in any way (a) the lien of any mortgage authorized by this Agreement, and (b) any right or interest provided in the Agreement for the protection of the holder of such mortgage.

Section 12.03. Other Rights and Remedies of CITY. The CITY shall have the right to institute such actions or proceedings as it may deem desirable for effectuating the purposes of this Article XII, including (i.) the right to execute and record or file in the Richmond Circuit Court Clerk's Office a written declaration of the termination of all the right, title and interest of Purchaser, and (subject to such mortgage liens and leasehold interests as provided in this Article XII hereof), their successors in interest and assigns, in the Property, and of the reversion of title thereto in the CITY or, (ii.) The right to execute and record a deed of conveyance to reconvey the Property from Purchaser to the CITY which deed shall be a general warranty deed containing English covenants of title. Purchaser hereby irrevocably appoints the City Attorney, Deputy City Attorney Bonnie Ashley and Assistant City Attorney Gregory Lukanuski, either of whom may act, as Purchaser's attorney-in-fact to execute such a deed. This power shall be deemed a power coupled with an interest and shall not be revocable by the death, disability, or voluntary or involuntary actions of Purchaser.

Section 12.04. No Waiver by Delay. Any delay by the CITY in instituting or prosecuting any actions or proceedings or otherwise asserting its rights under this Article XII shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the CITY should not be constrained, so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this Article because of concepts of waiver, laches, or otherwise to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver in fact made by the CITY with respect to any specific default by Purchaser under this Article be considered or treated as a waiver of the rights of the CITY with respect to any other defaults by Purchaser under this Article or with respect to the particular default except to the extent specifically waived in writing.

ARTICLE XIII

RESALE OF REACQUIRED PROPERTY - DISPOSITION OF PROCEEDS

Section 13.01. CITY's Right to Resell Property. Upon the reversion in the CITY of title to the Property or any part thereof as provided in Article XII, the CITY may resell the Property (subject to such mortgage liens and leasehold interests as in Article XII set forth and provided) as soon and in such manner as the CITY shall find feasible and consistent with the objectives of applicable law and of the Agreement, to a qualified and responsible party or parties (as determined by the CITY) who will assume the obligation of making or completing the construction or rehabilitation of the improvements or such other improvements in their stead as shall be satisfactory to the CITY and in accordance with the uses specified for such Property in this

Agreement. Upon such resale of the Property, the proceeds thereof shall be applied: (a) First, to reimburse the CITY, on its own behalf or on behalf of the City, for all costs and expenses incurred by the CITY, including, but not limited to, attorneys fees, salaries of personnel in connection with the recapture, management and resale of the Property or part thereof (but less any income derived by the CITY from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charges during the period of ownership thereof by the CITY, an amount, if paid, equal to such taxes, assessments, or charges [as determined by the City assessing official] as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in the CITY or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of Purchaser or Purchaser's successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing the CITY by Purchaser and (b) Second, to reimburse Purchaser, up to the amount equal to (1) the sum of any purchase price paid by the Purchaser for the Property (or allocable to the part thereof) and the cash actually invested by the Purchaser in performing any construction or rehabilitation of the Improvements on the Property or part thereof, less (2) any gains or income withdrawn or made by it from the Agreement or the Property. Any balance remaining after such reimbursements shall be retained by the CITY as its property.

**ARTICLE XIV
PROVISIONS NOT MERGED WITH DEED**

Section 14.01. Transfer of Title not to Affect Agreement. No provision of this Agreement is intended to or shall be merged by reason of any deed transferring title to the Property from the CITY to Purchaser or any successor in interest, and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement. All such provisions of this Agreement shall survive the execution and delivery of any such deed.

**ARTICLE XV
MISCELLANEOUS**

Section 15.01. Notice. Notices shall be deemed received by the party to whom it is given on the date deposited into the U. S. Mail, certified mail, return receipt requested, to the following addresses:

If to the CITY:	City Attorney Office of the City Attorney 900 East Broad Street, Room 400
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Richmond, Virginia 23219

With a Copy to: Director of Economic and Community Development
1500 East Main Street, Suite 400
Richmond, Virginia 23219

If to the Purchaser: ElderHomes Corporation
88 Carnation Street
Richmond, Virginia 23225

Section 15.02. Successors and Assigns. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective successors and assigns. No assignment by Purchaser shall relieve her of her obligations under this Agreement.

Section 15.03. Amendments. The CITY and Purchaser shall have the right to amend from time to time any of the terms and conditions of this Agreement, provided that all amendments shall be in writing and shall be signed by or on behalf of the CITY and Purchaser.

Section 15.04. Applicable Law. This Agreement shall be governed by the applicable laws of Virginia and any dispute arising from this Agreement shall be resolved in a state court located in the City of Richmond, Virginia.

Section 15.05. Severability. If any clause, provision or section of this Agreement shall be held illegal or invalid by any court, the illegality or invalidity of such clause, provision or section shall not affect the remainder of this Agreement which shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained in this Agreement. If any agreement or obligation contained in this Agreement is held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the CITY and Purchaser only to the extent permitted by law.

Section 15.06. Headings. The headings of the several articles and sections of this Agreement are inserted for convenience only and do not comprise a part of this Agreement.

Section 15.07. Non-Assignability. This Agreement shall not be assigned, in whole or in part, by Purchaser without the express written consent of the CITY.

Section 15.08. Counterparts. 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.

WITNESS the following signatures and seals:

City of Richmond

By *Selena Cuffee-Glen* (SEAL)
Selena Cuffee-Glen
Chief Administrative Officer

COMMONWEALTH OF VIRGINIA,
CITY OF RICHMOND, to wit:

The foregoing instrument was acknowledged before me this 19th day of December 2018, by the Chief Administrative Officer, on behalf of the City of Richmond, Virginia.

R. Diebel
Notary Public # 7512785 My commission expires: 7/31/2019



Prepared and approved as to form:

Bonnie M. Ashley
Bonnie M. Ashley, Esquire
Deputy City Attorney
Office of the City Attorney
City of Richmond, Virginia

ElderHomes Corporation, a Virginia non-stock corporation

By [Signature]
Name Lee Eloueholder
Title CEO

COMMONWEALTH OF VIRGINIA,
CITY OF RICHMOND, to wit:

The foregoing instrument was acknowledged before me this 29th day of NOV, 2018, by Lee Eloueholder as CEO for ElderHomes Corporation.

[Signature]
Notary Public # 7608288 My commission expires: 12/31/18



City of Richmond

By *Selena Cuffee-Glenn* (REAL)
Selena Cuffee-Glenn
Chief Administrative Officer

COMMONWEALTH OF VIRGINIA,
CITY OF RICHMOND, to wit:

The foregoing instrument was acknowledged before me this 19th day of Dec 2018, by the Chief Administrative Officer, on behalf of the City of Richmond, Virginia.

R. Diebel
Notary Public # 7512785 My commission expires: 7/31/19



ElderHomes Corporation, a Virginia non-stock corporation

By [Signature]
Name Lee Hausholder
Title CEO

COMMONWEALTH OF VIRGINIA,
CITY OF RICHMOND, to wit:

The foregoing instrument was acknowledged before me this 19th day of Dec 2018, by Lee Hausholder as CEO for ElderHomes Corporation.

[Signature]
Notary Public # 7512785 My commission expires: 7/31/2019

