

INTRODUCED: April 10, 2023

AN ORDINANCE No. 2023-113

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Cooperation Agreement between the City of Richmond and the Richmond Redevelopment and Housing Authority for the purpose of providing for the redevelopment of the property located at 3100 Nine Mile Road in the city of Richmond known as Creighton Court.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: APR 24 2023 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

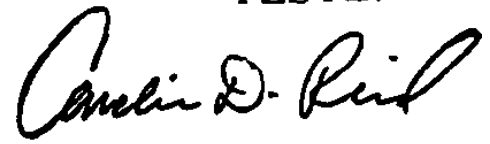
§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute a Cooperation Agreement between the City of Richmond and the Richmond Redevelopment and Housing Authority for the purpose of providing for the redevelopment of the property located at 3100 Nine Mile Road in the city of Richmond known as Creighton Court. The Cooperation Agreement shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

AYES: 7 NOES: 0 ABSTAIN: _____

ADOPTED: APRIL 24 2023 REJECTED: _____ STRICKEN: _____

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

**A TRUE COPY:
TESTE:**

A handwritten signature in black ink, appearing to read "Carolin D. Reil". The signature is written in a cursive style with a large initial 'C' and a long, sweeping tail.

City Clerk



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O&R REQUEST

DATE: March 15, 2023

EDITION: 1

TO: The Honorable Members of the City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

Handwritten signature of Levar M. Stoney.

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

Handwritten signature of J.E. Lincoln Saunders.

THROUGH: Sabrina Joy-Hogg, Deputy Chief Administrative Officer, Finance and Administration

Handwritten signature of Sabrina Joy-Hogg.

THROUGH: Sheila D. White, Director, Department of Finance

Handwritten signature of Sheila D. White.

THROUGH: Jason P. May, Director, Department of Budget and Strategic Planning

Handwritten signature of Jason P. May.

THROUGH: Sharon L. Ebert, Deputy Chief Administrative Officer, Economic Development and Planning

Handwritten signature of Sharon L. Ebert.

FROM: Sherrill Hampton, Director
Department of Housing and Community Development

Handwritten signature of Sherrill Hampton inside a square box.

RE: Approval of the Creighton Court Cooperative Agreement and Authorization for the Chief Administrative Officer to Execute the Agreement

ORD. OR RES. No. _____

PURPOSE: This O&R request is to approve the Cooperative Agreement by and between the City of Richmond and the Richmond Redevelopment and Housing Authority ("RRHA") to provide funding of up to \$21,400,000.00 to facilitate the installation of infrastructure improvements for the redevelopment of Creighton Court and to authorize the Chief Administrative Officer to execute the Agreement and transfer the funds to RRHA according to the payment schedule as defined in the Agreement.

REASON: Approval of the Cooperative Agreement (see **Attachment A**) will initiate the process to commence the first of four (4) phases of the installation of the infrastructure improvements and construction activities to support the Creighton Redevelopment Project that will produce 700+ new mixed-income single and multi-family residential units.

RECOMMENDATION: Approval of the proposed Cooperative Agreement is recommended.

BACKGROUND:

The proposed redevelopment of Creighton Court into a mixed-income community has been a longstanding goal of the Richmond Redevelopment Housing Authority (“RRHA”) and the City of Richmond (“The City”). The City has identified the expansion of housing choices and the affordability, accessibility, and availability of safe, quality, and affordable housing for all residents, as a top priority. The City views its collaboration with RRHA as an important catalyst in transforming Creighton Court into a vibrant mixed-income community of 700+ new residential units.

Consistent with its commitment, the City is seeking approval to enter into a Cooperative Agreement with RRHA to fund up to \$21,400,000 for the installation of infrastructure improvements in four (4) infrastructure phases, including planning, design, engineering, and construction activities to support the redevelopment project (see **Consolidated Exhibits, Pages 5 and 6** for a **Listing of the Overall Redevelopment and Infrastructure Phases**). The funds will be provided for each phase of the Project and will be in the form of a Grant. The Grant Funds may be financed by the issuance of general obligation bonds of the City of Richmond or maybe from federal or state funds awarded to the City, or a combination thereof. The City has identified \$6,800,000 from its 1st Tranche ARPA funds for, but not limited to, installation of water and sewer infrastructure, sidewalks, streets, and alleys.

RRHA’s Board of Commissioners approved the Cooperative Agreement at the March 15, 2023 Board meeting.

In February 2015, RRHA entered into a Master Development Agreement with The Community Builders (TCB) to transform Creighton Court, which originally consisted of approximately 36 acres with 504 dwelling units. This required the demolition and removal of the existing buildings in phases which has been completed. The approval of the Cooperative Agreement will permit the commencement of the installation of the infrastructure so that TCB and RRHA can begin construction of the new residential units.

FISCAL IMPACT/COST: No negative impact. The awarded ARPA funds are available and ready to be disbursed according to the payment schedule in the Agreement.

FISCAL IMPLICATIONS: Approval and execution of the Cooperative Agreement will allow the project to begin and disbursement of the available 1st Tranche ARPA funds to occur.

BUDGET AMENDMENT NECESSARY: No budget is amendment necessary.

REVENUE TO CITY: There will be additional revenue to the City as it relates to property taxes for any newly created housing units.

DESIRED EFFECTIVE DATE: Upon Adoption

REQUESTED INTRODUCTION DATE: April 10, 2023

CITY COUNCIL PUBLIC HEARING DATE: April 24, 2023

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Housing and Community Development, DPW, DPU, and PDR

RELATIONSHIP TO EXISTING ORD. OR RES.: 2021-291- Adopted 1st Tranche ARPA Spending Plan

REQUIRED CHANGES TO WORK PROGRAM(S): If approved, there are no required changes to HCD's work plans as project administration is currently underway.

ATTACHMENTS: Attachment A - Proposed Cooperation Agreement; Consolidated Exhibits B-D; Exhibit E – Infrastructure Conditions, Exhibit F – Listing of Parcels to be Transferred to the City and Attachment B – Ordinance 2021-291

STAFF: Sherrill Hampton, HCD Director – (804) 646-6822 and Merrick Malone, HCD Senior Manager – Multi- and Single-Family Housing – (804) 646-7426

Attachment A

COOPERATION AGREEMENT

This **COOPERATION AGREEMENT** (this “**Agreement**”) is made and entered into on _____, 2023, by and between the **CITY OF RICHMOND, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia (the “**City**”) and the **RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY**, a political subdivision of the Commonwealth of Virginia (the “**Authority**”).

RECITALS

- A. The City and the Authority desire to undertake redevelopment of the property located at 3100 Nine Mile Road in the City of Richmond, Virginia (the “**Site**”), known as Creighton Court, a 504-unit public housing complex (“**Creighton Court**”).
- B. The Site and all associated activities complement other significant revitalization efforts underway on the Nine Mile Road Business Corridor as detailed in the City’s “**East End Transformation Plan**,” incorporated by reference herein (“**Transformation Plan**”) and forms the basis for redevelopment for this eastern gateway into the City of Richmond.
- C. The Authority has procured The Community Builders, Inc. to serve as the Master Developer (“**Developer**”) for the redevelopment of the Site, in multiple phases, into a new mixed-income, mixed use community in accordance with the approved Conditional Use Permit for the Site (the “**Redevelopment Project**”), which construction constitutes a “**Housing Project**” as defined in Section 36-3 of the Code of Virginia, 1950, as amended (the “**Code**”). The schedule and budget for the Redevelopment Project is attached hereto and incorporated herein as Exhibit “**A**” (“**Redevelopment Project Schedule**”) and Exhibit “**B**” (“**Redevelopment Project Budget**”), respectively.
- D. The Redevelopment Project includes the design, planning, engineering, and construction of certain infrastructure improvements to support the Redevelopment Project, which infrastructure improvements are expected to be completed in four (4) phases (collectively, the “**Project**”).
- E. In addition, this redevelopment effort includes an associated, offsite “**Build First**” component, which is located on the site of the former Armstrong High School in the 1600 block of North 31st Street and is known as the *Armstrong Renaissance* community. When completed, a total of 256 new units will be constructed, including approximately 220 rental units, of which 90 units are dedicated for seniors and thirty-six (36) single-family homes for sale. The Build First component has five phases with the first phase starting in 2018. The four rental phases have completed construction and are fully occupied, and the homeownership component is under construction.
- F. The City has expressed its desire to achieve equity and justice in access to resources and opportunities for all citizens of Richmond through the implementation of an Equity Agenda. In addition, the City has identified the expansion of housing choices and the affordability,

accessibility, and availability of safe, quality, and affordable housing for all residents, especially those that are very low and low income, as a top priority. As such the City sees its collaboration with the Authority as an important avenue for achieving vibrant, mixed income communities and the de-concentration of poverty.

- G. The City and the Authority agree that integration of low and very-low-income households into each phase of the Redevelopment Project will serve to encourage a range of affordability for a multitude of households deconcentrated throughout the City of Richmond.
- H. The City is authorized by Section 36-6 of the Code to cooperate in the planning, construction or operation of housing projects located in the City and by Section 36-7 of the Code to make donations to the Authority to enable or assist the Authority in carrying out its purposes. The Authority is authorized by Title 36, Chapter 1 of the Code, and other laws to perform the activities contemplated in this Agreement.
- I. The City seeks to partner with the Authority to induce the Redevelopment Project by providing the following monetary contribution(s):
 - Funding of up to \$21,400,000.00 to facilitate the construction of the Project, which involves the installation of infrastructure improvements in four (4) infrastructure redevelopment phases, including planning, design, engineering, and construction activities, to support the Redevelopment Project. The funds will be provided for each phase of the Project and will be in the form of a grant (the “Grant Funds”).
- J. In furtherance of economic and affordable housing development in other areas of the City and in recognition of the City’s contribution to the Project, the City seeks to acquire from the Authority and the Authority desires to convey, for nominal cost, certain parcels of land owned by the Authority.
- K. The City and the Authority intend for the Developer, and any single-purpose entities associated with the Redevelopment Project and Project and controlled by the Developer, to be bound by the applicable terms of this Agreement, with respect to this Project and the Redevelopment Project.
- J. The purposes of this Agreement are to set forth the respective roles, responsibilities, terms and conditions applicable to all parties with respect to the Grant Funds awarded to assist with the Project in all applicable phases of the Project.

In consideration of the promises and mutual covenants set forth herein, and with the foregoing recitals incorporated herein, the parties hereto, with the intent to be legally bound, hereby agree as follows:

AGREEMENT

ARTICLE I – Use of Grant Funds

1.1 Source of Funds. (a) The Authority acknowledges that the Grant Funds may be financed by the issuance of general obligation bonds of the City of Richmond, or may be from federal or state funds awarded to the City, or a combination thereof, and warrants that it will not use the Grant Funds for any purpose not authorized by the Virginia Public Finance Act, the Internal Revenue Code, and any other applicable laws, with regard to such funds. The Authority further acknowledges that, to the extent Grant Funds include any funding from the U.S. Department of Housing and Urban Development to the City, or other federal or state funds, certain program regulations and requirements may apply; the Authority warrants that it will comply with all such program regulations and requirements as a condition of the acceptance of such funds, and acknowledges that the City may require execution of a separate agreement or agreements as a condition of providing any such portion of the Grant Funds.

(b) The source of the initial \$6,800,000 of Grant Funds (the “Initial Grant ARPA Funds”) is the City’s 1st Tranche of American Rescue Plan Act of 2021 (“ARPA”) funds, which have been appropriated by the City Council for the City of Richmond for expenditure first phase of the Project under this Agreement, prior to the execution of the Agreement. The Authority acknowledges that certain eligible activities are allowable uses of the Coronavirus State and Local Fiscal Recovery Fund established under ARPA, including, but not limited, to the development of affordable housing and the construction of water and sewer infrastructure. The Authority agrees that it will conduct its activities in accordance with ARPA. The Authority and its Developer will abide by all relevant federal laws, rules, regulations, and guidance applicable to the use of ARPA funds. Should the Authority’s use of the Initial Grant ARPA Funds be determined ineligible for ARPA funding, the Authority shall repay the relevant ineligible portion of the Initial Grant ARPA Funds to the City.

The Authority acknowledges and agrees that, with respect to the Initial Grant ARPA Funds, it shall comply with all applicable federal requirements for ARPA funds, including but not limited to the following:

- i.** The Authority shall comply with all reporting requirements as required pursuant to Article VII of this Agreement, as well as any additional reporting requirements required pursuant to any applicable ARPA regulations or guidance.
- ii.** The Authority shall send one or more representatives to attend all meetings and workshops held by the City pertaining to ARPA funds for the duration of this Agreement, provided the City provides the Authority with reasonable advance notice of any such meetings and/or workshops.
- iii.** The Initial Grant ARPA Funds must be obligated by September 30, 2024, and all Initial Grant ARPA Funds must be expended, and the phase of the Project funded with the Initial Grant ARPA Funds completed and closed out by September 30, 2026. No extension will be granted on the deadline to obligate the Initial Grant ARPA Funds, except as provided herein. The Authority shall repay to the City any portion of the Initial Grant ARPA Funds not obligated or expended within the above-referenced deadlines. If the applicable federal ARPA deadlines of December 31, 2024, and December 31, 2026, for the obligation and

expenditure of ARPA funds, respectively, are extended, the Authority may request corresponding extensions of the deadlines set out in this section, and the Chief Administrative Officer of the City of Richmond (the “CAO”) may grant or deny any such request in his such discretion.

iv. No portion of the Initial Grant ARPA Funds shall be used for any Project expenses incurred before March 3, 2021. The Authority hereby represents and agrees that the Initial Grant ARPA Funds will not be used for any such expenses.

v. The Authority shall comply with all applicable provisions of 2 CFR Part 200 and all applicable federal guidance issued pertaining to ARPA funds.

vi. The Authority shall complete and submit a full environmental assessment following the Part 58 guidelines for the National Environmental Policy Act.

vii. The Authority shall submit to the City a market study meeting all applicable federal requirements within 60-days of the execution of this Agreement.

viii. Upon the initial lease-up of each phase of the Redevelopment Project for which the Initial Grant ARPA Funds were expended on the infrastructure required to support such phase, the Authority, or Developer, or both, shall ensure that the property manager certifies the rents and total tenant household incomes in accordance with all applicable requirements. Every year thereafter, the Authority or the Developer, or both, shall ensure that the property manager follows the applicable LIHTC recertification process.

This Section 1.1 will survive expiration of the Agreement.

1.2 Authorized Activities. Subject to Section 1.1 above, the Authority shall use the Grant Funds solely for the design, planning, engineering, and construction of the infrastructure improvements on the Site for the Redevelopment Project. The Authority shall ensure that Grant Funds are used only for those costs authorized by Section 15.2-2602 of the Code, to include the cost of construction, the cost of labor, materials, machinery and equipment, the cost of plans and specifications, surveys and estimates of cost, the cost of engineering, legal and other professional services, and expenses incident to the feasibility or practicability of said infrastructure improvements (the “Work”), and the Authority shall further ensure that any use of the funds otherwise complies with all applicable laws, regulations, restrictions, and requirements applicable to the source of the Grant Funds, including but not limited to applicable ARPA requirements for the Initial Grant ARPA Funds. Grant Funds shall not be used for political activities; inherently religious activities, such as worship, religious instruction, or proselytization; or lobbying activities.

1.3 Project Budget and Project Schedule. In addition to the project schedule for Phase 1 of the project (“Phase 1 Project Schedule”) attached hereto and incorporated by reference herein as Exhibit “C”, the budget for Phase 1 of the Project (“Phase 1 Project Budget”) is attached hereto and incorporated by reference herein as Exhibit “D.” The Phase 1 Project Schedule and Phase 1 Project Budget shall detail planned expenditures of the Initial Grant ARPA funds, and shall be binding upon the Authority. As a condition of receipt of the Grant Funds, the Authority shall complete all Work in accordance with each approved Project Schedule and Project Budget. In advance of the obligation or expenditure of any funds associated with any phase of the project subsequent to Phase 1, the Authority shall submit for City review and approval a Project Budget and Project Schedule for such phase. The CAO shall review and approve, in his discretion, the Project Budget and

Project Schedule for each phase, and, once approved, such Project Budget and Project Schedule shall be incorporated into this agreement as an exhibit.

Only portions of the Work completed in accordance with the approved Project Schedule and Project Budget for each phase shall be eligible for reimbursement under this Agreement. The Authority shall submit a request to the City, in writing, for amendments to the Redevelopment Project Schedule and Redevelopment Budget, and any Project Schedule and Project Budget. Any such request shall include an explanation and documentation of the reasons for such request. The CAO may approve amendments to the Redevelopment Budget, Redevelopment Schedule, and any Project Schedule and Project Budget, pursuant to such requests from the Authority, which such approval shall not be unreasonably withheld, conditioned, or delayed. The Authority may extend any timeline on the Project Schedule for any phase of the Project by up to 90 days upon notice to the City, provided that in no event shall the timeline for obligation or expenditure of the funds extend beyond the deadlines provided in Section 1.1(b)(iii) above, or any other deadlines hereinafter expressly established with respect to any other portion of the Grant Funds. Notwithstanding the foregoing, in the event of any delays resulting from the occurrence of any force majeure events, the Authority shall have the right to amend the Redevelopment Project Schedule and any Project Schedule to account for such delays without obtaining the prior approval of the Chief Administrative Officer for the City of Richmond, provided the Authority notifies the City of the occurrence of any such force majeure events promptly following the occurrence thereof and provides the City with an estimate of the anticipated delay in completing the Work as a result thereof.

1.4 The Work. Plans and specifications for the Work shall be prepared by the Authority and subject to the review and approval process and all other requirements set forth in the Infrastructure Conditions attached hereto and incorporated by reference herein as “Exhibit E” (the “Infrastructure Conditions”). As a condition of reimbursement for any portion of the Work pursuant to this Agreement, the Authority shall ensure that all Work is performed and in compliance with all provisions of the Infrastructure Conditions. Only portions of the Work completed in accordance with approved Final Plans, as defined in the Infrastructure Conditions, shall be eligible for reimbursement in accordance with this Agreement. In the event of any discrepancy or conflict between the main body of this Agreement and Exhibit E as to Project, Exhibit E will control.

1.5 Access to Site. As a condition of receipt of the Grant Funds, the Authority shall grant the City reasonable access to the Site and all rights necessary for the City to monitor and review all work in process and that which has been completed. Any such access shall be with no less than twenty-four (24) hours’ advance notice to the Authority.

1.6 One-for-One Replacement. (a) As condition of receipt of the Grant Funds, the Authority shall employ a one-for-one replacement redevelopment methodology for the Redevelopment Project, such that, upon completion of the Redevelopment Project, each of the 504 public housing units currently located at Creighton Court shall be replaced by a new affordable residential unit. Such one-for-one replacement may include other housing options provided to the residents as laid out in the Creighton Court Tenant Bill of Rights that includes on-site and off-site housing options with the use of either project-based vouchers or tenant protection vouchers.

(b) As condition of receipt of the Grant Funds, the Authority shall ensure that not more than sixty percent (60%) of the units of the Redevelopment Project be rented, leased, or sold to any individual or family whose gross household income adjusted for family size at initial occupancy is at or below 60% of the Area Median Income as determined annually for the Richmond-Petersburg Metropolitan Statistical Area by the United States Department of Housing and Urban Development and that such affordability requirements shall apply for no less than 30 years from completion of the Redevelopment Project.

(c) As condition of receipt of the Grant Funds, the Authority agrees and warrants that the first Phase of Redevelopment Project, the infrastructure for which is to be funded through the \$6.8 million in ARPA funds pursuant to this Agreement, qualifies for the federal Low-Income Housing Tax Credit (LIHTC) program.

(d) This Section 1.6 will survive expiration of the Agreement.

1.7 Concentration of Affordable Units. In order to avoid the concentration of units designated for very low-income residents within the Redevelopment Project, the Authority shall ensure that no more than twenty-five percent (25%) of the units in each phase of the Redevelopment Project shall be made affordable to households earning at or below thirty percent (30%) of the Area Median Income as determined annually for the Richmond-Petersburg Metropolitan Statistical Area by the United States Department of Housing and Urban Development (the “AMI”).

ARTICLE II – Funding Commitments

2.1 Appropriation of Funds. Notwithstanding any provision of this Agreement to the contrary the City's obligation to provide Grant Funds is subject to appropriation by the City Council of the City of Richmond, Virginia, and the availability of funds. Under no circumstances shall the City's total liability under this Agreement exceed the total amount of funds appropriated by the City Council for the City's performance of this Agreement.

2.2 Project Information. As a condition of the receipt of the Grant Funds, the Authority shall be bound by the Project details provided in the City-approved Project Budget and Project Schedule for each phase of the Project, and by the Redevelopment Project Schedule and Redevelopment Project Budget, including but not limited to the descriptions of the phases of the Project and Redevelopment Project. With each request for payment submitted pursuant to Section 2.3, the Authority shall provide the City with updated Project information, including, but not limited to, the following:

- (a) A narrative detailing any changes to the Project, phasing of the Project, or proposed use of Grant Funds since the initial request for assistance.
- (b) An updated Project Budget.
- (c) An updated Project Schedule, including a summary of where the Authority (or Developer) is in the City’s permitting process with respects to each phase of the Project.
- (d) A Plan and Cost Estimate for all phases by an appropriate 3rd Party vendor;

The City may review such updated Project information to ensure that the Authority and the Project remain in compliance with the provisions of this Agreement.

2.3 Payment of Grant Funds. The City shall pay to the Authority the Grant Funds, without any rights of set-off, recoupment or counterclaim, in accordance with the provisions of this Section. The payment and disbursement of the Grant Funds is contingent upon approval of the applicable appropriations and receipt of bond proceeds or federal or state funds, as applicable. The Grant Funds shall be disbursed to the Authority and used by the Authority reimburse the Developer for all eligible costs incurred by the Developer in connection with the performance of the Work, pursuant to requests for payment submitted monthly by the Authority in accordance with this Section. The following information and documentation shall be provided, as a condition of disbursement, with each request for payment:

- i) Documentation of the portion of the Work completed in accordance with Final Plans approved pursuant to Exhibit D for which reimbursement is requested.
- ii) Documentation of all costs and expenses incurred for the completion of such portions of the Work, for which reimbursement is requested.
- iii) Documentation demonstrating that all such costs and expenses for which reimbursement is requested are consistent with the Project Budget.
- iv) Documentation of compliance with all applicable federal, state, and local program requirements associated with the source of funds for any disbursement.
- v) In the case of the Initial Grant Funds, documentation that all costs and expenses for which reimbursement is requested are eligible uses of ARPA funds.
- iv) Minutes and sign-in sheets for any resident and community engagement meetings held during the applicable period.
- v) A report and appropriate documentation of the expenditure of all Grant Funds previously disbursed to the Authority.
- vi) Arrangements for an on-site inspection to be conducted by the City in advance of the disbursement; and
- vii) All other such documentation as may be reasonably requested by the City to ensure compliance with this Agreement.

No Grant Funds will be disbursed without an approved Environmental Review Record, Request to Release Funds, and, to the extent applicable, the approval of HUD or other appropriate federal or state agency for the City to grant authority for use of the Grant Funds.

No Grant Funds will be disbursed by the City in response to any request for payment unless 1) the Authority has submitted all documentation required pursuant to this Section and otherwise as may be required under this Agreement, and 2) the City has determined, in its reasonable discretion, that the Authority is, in all material respects, compliant with all requirements of this Agreement.

The final ten percent (10%) of the Grant Funds designated for each phase of the construction of the Work will not be eligible for disbursement until the Work for such phase is 100% completed and approved by all applicable regulatory bodies.

ARTICLE III – Project Fund

3.1 Establishment. Consistent with the requirements of federal taxation laws applicable to tax-exempt bond proceeds the Authority shall establish a separate fund in its accounting and budgetary structure, into which the Authority shall deposit all Grant Funds that are financed from the proceeds of a general obligation bond issuance made by the City and received pursuant to this Agreement and from which the Authority may make all disbursements required for the Work.

3.2 Accounting. The Authority shall prepare financial reports and statements for all financial activity relating to the Grant Funds in accordance with generally accepted accounting principles. The Authority may use its accountant to prepare the reports and statements, if it chooses, or the reports and statements may be prepared internally by the Authority. The Authority may include these reports and statements in its regular reports and statements on other activities of the Authority, as well. A financial report for the Project should be submitted to the City on a quarterly basis throughout the duration of each phase of the Project and detail all expenditures and revenue during the applicable quarter.

ARTICLE IV – COMMUNITY BENEFITS

4.1 Goals. By entering into this Agreement, the Authority agrees to include the following community benefit goals (“Community Benefits”) for itself and its agents, consultants, contractors and subcontractors:

1. Construction Management companies, general contractors and subcontractors shall not be precluded from using union personnel, and all construction management companies, general contractors, and subcontractors shall:
 - Make a good faith effort to achieve a goal of having 40% of its work hours on the Project be union personnel.
 - Pay at a minimum of \$15.00 per hour or the prevailing wage rate for the City of Richmond as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act, 40 U.S.C. § 276 et seq., as amended, to each laborer, workman, and mechanic employed on the Project (whichever is higher).
 - Participate in apprenticeship programs that have been certified by the Department of Labor and Industry or the U.S. Department of Labor; and
 - Give consideration or preference to an individual's status as an honorably discharged veteran of the armed forces of the United States in employment on the Project, provided that such veteran meets all the knowledge, skills, and eligibility requirements for the available position
2. Agree to the extent permitted by law and regardless of the existence of a labor agreement, that the Authority will require its consultants, contractors and subcontractors to pay to each worker employed on the Project, at a minimum, \$15.00 per hour or the prevailing wage rate for the City of Richmond as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act, 40 U.S.C.S. § 276a, as amended (whichever is higher).
3. Agree (i) to participate in job training and outreach programs within the City of Richmond to identify opportunities to secure the skills needed for all phases of the Project, and to employ individuals having such job skills; (ii) that all opportunities for employment in

connection with the Project shall be communicated to the City's Office of Community Wealth Building (OCWB) to coordinate recruitment efforts with the OCWB; and (iii) that the Authority and its contractors and subcontractors will use best efforts in the commercially ordinary timing for hiring in the Project to (a) conduct job fairs and information sessions in each City Council District of the City on an appropriate date with respect to the staffing needs of the Project, (b) conducting an outreach program that targets neighborhoods with the highest concentrations of poverty, (c) work with willing workforce development teams and training providers (including the Community College Workforce Alliance) to conduct a comprehensive training program, (d) create ongoing hiring opportunities to benefit students in public schools of the school division administered by the School Board of the City of Richmond ("Richmond Public Schools") through recruitment, training and internship programs, (e) conduct construction and trades job fairs and (f) place job advertisements with multiple media outlets, including all newspapers with a print circulation in the City of Richmond.

4. To the extent permitted by law and without establishing preferences for Virginia residents over non-Virginia residents, the Authority will require all developers, construction management companies, general contractors, and subcontractors to set a goal to achieve the following targets regarding hiring, such that residents of the City of Richmond comprise the following, provided that such residents meet all of the knowledge, skills and eligibility requirements for the available position:
 - 100% of all newly hired construction laborers to work on the Project by the parties are residents of the City of Richmond
 - 60% of all existing construction laborers employed by the parties and assigned to work on the Project are residents of the City of Richmond.
 - 50% of all newly hired construction skilled tradespersons to work on the Project by the parties are residents of the City of Richmond; and
 - 30% of all existing construction skilled tradespersons employed by the parties and assigned to work on the Project are residents of the City of Richmond.
5. Agree to submit and follow a Minority Business Enterprises (MBEs) and Emerging Small Businesses (ESBs) Plan, which shall include good faith efforts to achieve a goal of not less than 40% minority business enterprise and emerging small business participation in the Redevelopment Project and Project. For purposes of this Section the terms "minority business enterprise" and "emerging small business" have the meanings ascribed to them by Section 21-4 of the Code of the City. The Authority shall submit a quarterly report to the City's Office of Minority Business Development (OMBD) on associated MBE/ESB activities, including dollar amounts, firms and/or business entities and vendors throughout the duration of the project.

4.2 Goals. The City and the Authority acknowledge that the above-described Community Benefits are the initial goals of the Project, and adjustment of these goals during the Project may be appropriate. The Authority may submit to the City, in writing, a request to adjust the Community Benefits, provided that any such request shall detail the reasons for any requested adjustment and include documentation in support of such request sufficient for the City to evaluate

it. The CAO will, in the CAO's reasonable discretion, approve or deny the requested adjustment of the Community Benefit, and shall issue a written response to the Authority indicating such approval or denial within ten (10) days of the receipt of such request.

ARTICLE V – SECTION 3

5.1 By entering into this Agreement, the Authority, for itself and for its contractors and subcontractors, agrees to implement Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. Section 1701u and the regulations promulgated at 24 C.F.R. Part 75 (Section 3), to the greatest extent feasible and allowable by law. Nothing in this Agreement shall be construed as placing any obligations or liabilities on the City regarding Section 3. The Authority shall submit a quarterly report on the applicable Section 3 activities for the duration of the Project. For purposes of Section 9.3, the implementation of Section shall be considered a "Community Benefit."

ARTICLE VI – RECORDS

6.1 Maintenance of Records. The Authority shall maintain records of the cost for the Work pursuant to generally accepted accounting principles, and in accordance with the Virginia Public Records Act, all applicable federal requirements, and such other methods as the City may require. The Authority shall retain all invoices, checks and other records showing billing and payment for materials, equipment and labor relating to the Work; shall maintain books of account with respect to the Work; and shall require its consultants, contractors and subcontractors to maintain similar records.

6.2 Access to Records and Audit. The Authority and its consultants, contractors and subcontractors shall, at reasonable times and upon request at any time during the progress of the Work, afford the City access to the records described in Section 6.1 ("Maintenance of Records") and any other records related to this Agreement and the determination of the cost thereof, wherever located, for such examination and audit by the City or its agent as the City may desire (such examination and audit to be conducted at the City's sole cost and expense). The City, at its cost, may make copies of any records that the City has the rights under this Agreement to access, examine, and audit.

6.3 Audit by City Auditor. The Authority acknowledges that Grant Funds may be funded by an appropriation by the City Council of the City of Richmond, Virginia. Pursuant to Section 2-187 of the Code of the City, the Authority shall be subject to periodic audits by the City Auditor, on demand and with notice, of solely its finances and expenditures of all Grant Funds appropriated by City Council. In addition, the Authority shall afford the City access to all records relating to the expenditure of monies from the Grant Funds, wherever located, for such examination and audit by the City as the City may desire (such examination and audit to be conducted at the City's sole cost and expense). The Authority shall afford the City the opportunity, at the City's sole cost and expense, to make copies of the records that the City has the rights under this Section to access, examine, and audit. The Authority shall ensure that the requirements of this Section are made binding on any consultants, contractors and subcontractors of the Authority.

6.4 Public Disclosure. The Authority for itself and its consultants, contractors and subcontractors acknowledge and agrees that this Agreement and any other records furnished, prepared by or in the possession of the City or its agents are subject to the retention and disposition requirements of

the Virginia Public Records Act and the public disclosure requirements of the Virginia Freedom of Information Act.

ARTICLE VII – REQUIRED REPORTING

7.1 Reporting. The Authority shall:

- A. Maintain detailed records regarding all expenditures of the Grant Funds. The Authority shall submit the financial reports required pursuant this Section and provide all information required thereunder. If the City provides a financial reporting template based upon updated federal guidance or requirements, or otherwise at the City’s discretion, the Authority shall submit all financial reports required by this section in the form of such template.
- B. The Authority, no later than the 10th day of each March, June, September and December following the date of execution of this Agreement and continuing until the completion of all phases of the Project, shall provide the City with written reports relating to MBE/ESB and Section 3 activities. In addition, general written progress reports in a format provided by the City upon execution of this Agreement shall be provided monthly and due no later than the 15th of each month.
- C. Provide an annual report no later than December 1, 2023, and each December 1 thereafter, throughout the term of this Agreement, providing a narrative description of the Project and expenditure of the Grant Funds. The Authority shall include in each narrative description:
 1. Photographs pertaining to the Project (if available).
 2. With respect to ARPA Funds, any mandated performance indicators identified by United States Treasury Department together with reporting on how the Recipient plans to ensure that projected outcomes are achieved in an effective, efficient, and equitable manner.
 - A. The City shall inform the Recipient of any known applicable mandated indicators the City identifies from Treasury for reporting concurrent with the communication of approval in 3(c)(2) of any provided Program Plan or at least 30 business days before December 1, 2023, and each December 1 thereafter, whichever is sooner, so that the Recipient and any subrecipients may incorporate these in annual reporting.
- D. Complete any additional forms or reports and provide any additional information that may be reasonably required by the City.
- E. Maintain all books, records, and other documents relating to this Agreement for five years following expiration of this Agreement.

- F. Not disclose any protected health information to the City and shall abide by the Health Insurance Portability and Accountability Act of 1996, as amended, and other applicable laws, rules, and regulations regarding such information.
- G. Contractually obligate all subrecipients to abide by the same reporting requirements.

7.2 Additional Materials. Within ten (10) business days of execution of this Agreement and before the City provides any payment hereunder using Grant Funds, the Authority shall furnish the City with all the information identified in Article II, Section 2.2.

7.3 All reports and required additional information required to be submitted to the City pursuant to this Article VII should be forwarded to the attention of:

Sherrill Hampton, Director
City of Richmond
Department of Housing and Community Development Department
Main Street Station
1500 East Main Street, Suite 300
Richmond, VA 23219
or Sherrill.Hampton@richmondgov.com.

ARTICLE VIII – INSURANCE

8.1 The Authority will for itself and shall require any consultants, contractors, and/or subcontractors performing work contemplated herein to maintain the following insurance in accordance with the requirements of this Section 8.1: Commercial General Liability Insurance in an amount of not less than \$1,000,000.00 combined single limit. The contract shall contain a provision that it shall not be terminated or otherwise allowed to expire prior to 30 days after written notice to that effect is received by the Authority, provided that a shorter notice period may be accepted with the concurrence of the City. Approved insurance coverage shall be kept in full force and effect, without expense to the City, always during the term of this Agreement.

8.2 Certificates of Insurance. At the time the City signs this Agreement or at the time the Authority signs any applicable contract with a consultant or contractor, whichever is later, the Authority shall furnish the City with an original, signed certificate of insurance evidencing the above coverage.

8.3 Contracts and Policies. The Authority is not required to furnish the City with copies of insurance contracts or policies required by Section 8.1 unless requested at any time by the City.

ARTICLE IX – INDEMNIFICATION

9.1 Generally. The Authority shall require that any consultants or contractors engaged by the Authority in connection with the performance of the Work contractually agree to defend, hold harmless and indemnify the City, its officers, its employees and its agents from and against any and all actions, awards, causes of action, claims, costs, damages, expenses, judgments, liabilities, losses and suits (including costs relating to litigation and reasonable attorneys' fees) arising out of

the performance of the Work contemplated herein, as well as any and all actions, awards, causes of action, claims, costs, damages, expenses, judgments, liabilities, losses and suits (including costs relating to litigation and reasonable attorneys' fees) arising out of, caused by or resulting from errors, omissions, negligent acts or intentional acts of the consultant or contractor, its officers, its employees, its agents, its subcontractors and its suppliers. Nothing in Section 9.1 shall be deemed to require any consultants or contractors engaged by the Authority in connection with the performance of the Work to defend, hold harmless and indemnify the City for any claims arising out of, caused by or resulting from the negligence or willful misconduct of the City, its officers, employees or agents and nothing herein shall be construed as a waiver of the City's sovereign immunity. This Section 9.1 will survive expiration of the Agreement.

9.2 Regulatory Compliance. The Authority shall ensure that if any consultant or contractor violates laws or regulations that govern the Work contemplated herein, the consultant or contractor shall defend, hold harmless and indemnify the City against any fines or penalties or both that result from such violation. To the extent that such violation is the result of the negligence or other actionable conduct of the consultant or contractor, the consultant or contractor shall defend, hold harmless and indemnify the City against any third-party claims, suits, awards, actions, causes of action or judgments, including, but not limited to, all reasonable attorneys' fees and costs incurred thereunder, that result from such violation. This Section 9.2 will survive expiration of the Agreement.

9.3 Community Benefits. The Authority acknowledges that it is voluntarily agreeing to provide the Community Benefits, as defined in Articles IV and V. The Authority warrants that it or its agents, consultants, contractors, or subcontractors, will independently analyze the legal basis for its, or their, selected means and methods of performance and implementation of each Community Benefit to ensure that it, or they, do not engage in any conduct inconsistent with local, state, or federal law in such means and methods of performance and implementation. In addition, all other requirements of Article IX ("Indemnification"), the Authority shall, to the extent permitted by law, indemnify, hold harmless, and defend City from and against any claims and liabilities arising out of, caused by, or resulting from the performance of the Community Benefits by the Authority, its agents, or its contractors. The Authority shall release City, its officers, employees, agents, and volunteers from and against all losses, liabilities, claims, damages, costs, and expenses (including, but not limited to, court costs and attorneys' fees) that the Authority may suffer, pay, or incur caused by, resulting from, or arising out of the performance and implementation of the Community Benefits. This Section 9.3 will survive expiration of the Agreement.

ARTICLE X – PROPERTY CONVEYANCES

10.1 Subject to the approval of the City Council for the City of Richmond, no later than one year from the date of execution of this Agreement, the Authority shall convey to the City in fee simple, through a deed or other instrument approved as to form by the City Attorney's Office, for nominal consideration of ten dollars (\$10), each of the parcels on the list attached and incorporated by reference into this Agreement as "Exhibit F" (the "Parcels"). The Authority shall cooperate in a timely manner, with the review of title, inspections, and any other due diligence efforts the City may choose to undertake in its discretion. Upon the City's request, the Authority shall convey each parcel to the City in as-is, where-is, condition, subject to the warranties required pursuant to Section 10.2 below.

10.2 The Authority shall be solely responsible for ensuring, prior to conveyance, compliance with any applicable HUD requirements necessary to convey the property to City unencumbered, including but not limited to HUD demolition and disposition requirements. The Authority shall be responsible for any real estate taxes due and payable as of the date of conveyance of each parcel, and shall ensure and warrant upon conveyance of each parcel that the parcel is free from any lien, encumbrance, or security interest (including, but not limited to, any HUD declaration of trust or other similar instrument), except as may be approved by the City in its sole discretion.

ARTICLE XI – DEVELOPER

11.1 The Authority has disclosed to the City its intent to enter a contractual arrangement with the Developer, pursuant to which the Developer shall, on behalf of the Authority, oversee and manage the design, development, and construction of the infrastructure improvements in accordance with and subject to the terms and conditions of this Agreement. The City hereby consents to such contractual arrangement between the Authority and the Developer, provided (i) the agreement to be entered into by and between the Authority and the Developer shall include a requirement that the Developer (or any single-purpose entities formed by the Developer to perform the Work within any phase of the Project) shall be bound by all applicable requirements of this Agreement, including the requirements of Articles I, IV, V, VI, VII, VIII, IX, X, and XII, and (ii) such contractual agreement shall in no way relieve the Authority of its obligations under this Agreement.

ARTICLE XII – TERMINATION

12.1 Termination of Agreement. The City, upon delivery of at least thirty (30) days written notice to the Authority in accordance with Section 13.10 of this Agreement, may terminate this Agreement. Upon such termination, the City shall have no further obligation to pay any portion of the Grant Funds not yet expended or obligated for expenditure by the Authority.

12.2 Remedies. In addition to all other remedies that may be available pursuant to applicable law, in the event that the Authority violates or otherwise fails to comply with any provision of this Agreement and such violation or failure cannot be remedied, or, if such violation or failure can be remedied and such violation or failure continues uncured for more than thirty (30) days after the Authority's receipt of written notice thereof from the City (or, if such violation or failure cannot reasonably be cured within such 30-day period, such 30-day period shall be extended for so long as is reasonably required for the Authority to cure such violation or failure provided the Authority is diligently pursuing efforts to complete such cure), the City may withhold any and all Grant Funds not previously funded by the City to the Authority, terminate this Agreement, and require the Authority to return Grant Funds already received that were not previously expended or obligated for expenditure in accordance with the terms of this Agreement.

ARTICLE XIII – MISCELLANEOUS PROVISIONS

13.1 Captions. All section titles or captions in this Agreement are for convenience of reference only. They should not be deemed to be part of this Agreement or to in any way define, limit, extend, or describe the scope or intent of any provisions of this Agreement.

13.2 Compliance with Laws. The Authority shall obtain all necessary governmental approvals and permits and shall perform such acts as are necessary to affect the compliance with all laws, rules, ordinances, statutes, and regulations of any governmental authority applicable to the completion of the Work and shall ensure the same compliance by its consultants, contractors and subcontractors.

13.3 Counterparts. This Agreement may be executed by the City and the Authority in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same Agreement.

13.4 Entire Agreement. This Agreement contains the entire understanding between the City and the Authority with respect to the subject matter of this Agreement and supersedes any prior understandings and written or oral agreements between them with respect to such subject matter. There are no representations, agreements, arrangements, or understandings, oral or written, between the City and the Authority relating to the subject matter of this Agreement that are not fully expressed in this Agreement.

13.5 Governing Law and Forum Choice. All issues and questions concerning the construction, enforcement, interpretation and validity of this Agreement, or the rights and obligations of the City and the Authority in connection with this Agreement, shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. All disputes, claims and causes of action arising out of or in connection with this Agreement, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Except for the provisions contained in Article IX ("Indemnification") of this Agreement, each party shall be responsible for its own attorneys' fees in the event this Agreement is subject to litigation.

13.6 Modifications. This Agreement may be amended, modified and supplemented only by the written consent of both the City and the Authority preceded by all formalities required as prerequisites to the signature by each party of this Agreement. The Authority shall provide in writing the rationale for any requested modification of this Agreement and include the following information: (a) cover letter and narrative detailing the proposed change(s) and its impact to the Redevelopment Project Budget and Schedule, and any previously approved Project Schedule or Project Budget; (b) a revised Redevelopment Project Budget and/or Schedule, and a revised Project Schedule and/or a revised Project Budget, as applicable; c) any impact to 1-for-1 replacement or alternative plan to alleviate displacement caused by the Redevelopment Project; (d) update on relocation efforts; and (e) schedule of resident and community engagement meetings to discuss the project change(s) with all applicable constituents. The Authority acknowledges that any request for additional funding must be approved by City Council, which involves at least a 60-day process.

13.7 No Assignment. This Agreement shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the parties hereto; provided, however, that, except as expressly

required pursuant to Article XI of this Agreement, in no event may this Agreement or any of the rights, benefits, duties or obligations of the parties hereto be assigned, transferred or otherwise disposed of without the prior written consent of the other, which consent neither party shall be obligated to give.

13.8 No Joint Venture. The terms and conditions of this Agreement shall not be construed or interpreted in any manner as creating or constituting the City as a partner or joint venture with the Authority or as making the City liable for the debts, defaults, obligations or lawsuits of the Authority or its assigns, consultants, contractors or subcontractors.

13.9 No Third-Party Beneficiaries. Notwithstanding any other provision of this Agreement, the City and the Authority hereby agree that: (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Agreement; (ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the City and the Authority; (iii) no individual or entity shall obtain any right to make any claim against the City or the Authority under the provisions of this Agreement; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. For purposes of this Section, the phrase "individual or entity" means any individual or entity, including, but not limited to, individuals, tenants, sub-tenants, contractors, subcontractors, vendors, sub-vendors, assignees, licensors and sub-licensors, regardless of whether such individual or entity is named in this Agreement.

13.10 Notices. All notices, offers, consents, or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be delivered personally, by messenger, by recognized overnight courier service or by registered or certified U. S. mail with return receipt requested, and addressed to the address of the intended recipient at the following addresses:

A. To the City:

Chief Administrative Officer
City of Richmond
900 East Broad Street, Suite 20I
Richmond, Virginia 23219

B. To the Authority:

Richmond Redevelopment and Housing Authority
Chief Executive Officer
901 Chamberlayne Parkway
Richmond, Virginia 23230

Post Office Box 26887
Richmond, Virginia 23261-6887

Notices shall be deemed effective upon receipt by the intended recipient of such notice or upon refusal of delivery by the intended recipient, as evidenced by the receipt provided by the messenger

service, courier service or U.S. mail, as applicable. Either party may change any of its address information given above by giving notice in writing stating its new address to the other party.

13.11 Authorization to Act. The Chief Administrative Officer of the City of Richmond, Virginia, or a designee thereof, is authorized to act on behalf of the City under this Agreement.

13.12 Authority to Execute. The Authority represents that the Authority's signatory is duly authorized by the Authority to enter into this Agreement and thereby bind the Authority to this Agreement's terms and conditions.

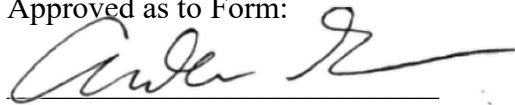
SIGNATURES ON FOLLOWING PAGE

WITNESS the following signatures.

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

By: _____
J.E. Lincoln Saunders
Chief Administrative Officer

Approved as to Form:



Assistant City Attorney

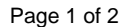
RICHMOND REDEVELOPMENT AND
HOUSING AUTHORITY, a political
subdivision of the Commonwealth of Virginia

By: _____
Steven Nesmith
Chief Executive Officer

Exhibit List

- Exhibit A - Redevelopment Project Schedule
- Exhibit B - Redevelopment Project Budget
- Exhibit C – Phase 1 Project Budget
- Exhibit D – Phase 1 Project Schedule
- Exhibit E - Infrastructure Conditions
- Exhibit F - List of Parcels to be conveyed to City

Exhibits A and D Combined



Task Name		Start Date	End Date	2023				2024				2025				2026				2027				2028				2029				2030			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
49	Close on Phase G financing	06/15/26	11/13/26																																
50	Phase G construction	11/16/26	03/10/28																																
51	Lease-Up Phase G	03/13/28	08/25/28																																
52																																			
53	Infrastructure Phase 3	10/01/24	08/24/29																																
54	Obtain funding	10/01/24	05/30/25																																
55	Relocation Phase 3	01/01/25	09/09/25																																
56	Demolition Phase 3	09/10/25	11/04/25																																
57	Infrastructure construction - Phase 3	11/05/25	05/18/27																																
58																																			
59	Phase H - (63 Units Affordable) - Vertical	03/15/27	08/24/29																																
60	Submit 9% LIHTC application	03/15/27	03/15/27																																
61	9% credits awarded	03/15/27	06/11/27																																
62	Close on Phase H financing	06/14/27	11/12/27																																
63	Phase H construction	11/15/27	03/09/29																																
64	Lease-Up Phase H	03/12/29	08/24/29																																
65																																			
66	Phase K - (60 Units Affordable) - Vertical	11/15/27	01/25/30																																
67	Submit 4% LIHTC application	11/15/27	11/15/27																																
68	Close on Phase K financing	11/15/27	04/14/28																																
69	Phase K construction	04/17/28	08/10/29																																
70	Lease-Up Phase K	08/13/29	01/25/30																																
71																																			
72	Phase J - (55 Units Affordable) - Vertical	03/15/28	08/27/30																																
73	Submit 9% LIHTC application	03/15/28	03/15/28																																
74	9% credits awarded	03/15/28	06/13/28																																
75	Close on Phase J financing	06/14/28	11/14/28																																
76	Phase J construction	11/15/28	03/12/30																																
77	Lease-Up Phase J	03/13/30	08/27/30																																
78																																			
79	Phase C - (60 Units Market Rate) - Vertical	03/15/26	07/13/28																																
80	Close on Phase C financing	03/15/26	08/13/26																																
81	Phase C construction	08/14/26	01/27/28																																
82	Lease-Up Phase C	01/28/28	07/13/28																																
83																																			
84	Phase L - (60 Units Market Rate) - Vertical	03/15/26	07/13/28																</																

Creighton Court Transformation - Vertical Development Budget

Phase Type Building Type Planned Year of Closing No. of Units Annual Escalation Premium for market rate	Phase A Affordable Townhouse 2023 68	Phase B Affordable Elevator 2023 72	Phase E Affordable Townhouse 2024 58 12%	Phase D Affordable Townhouse 2025 62 12%	Phase F Affordable Elevator 2026 66 24%	Phase G Affordable Townhouse 2026 57 12%	Phase H Affordable Townhouse 2027 63 12%	Phase K Affordable Elevator 2028 60 24%	Phase J Affordable Townhouse 2028 55 12%	Phase C Market Rate Elevator 2026 - 2028 60 12% 10%	Phase L Market Rate Elevator 2026 - 2028 60 12% 10%	Homeownership Mixed Townhouse 2026 - 2028 50	Total Development 2023 - 2028 731
Development Funding													
LIHTC	14,037,096	13,798,620	13,409,555	13,693,522	15,564,970	12,855,801	13,339,784	16,083,803	12,084,275	-	-	-	124,867,426
Debt - Hard	5,410,000	5,780,000	5,168,141	5,277,584	5,998,854	4,954,720	5,141,251	6,198,816	4,657,368	22,085,759	22,085,759	13,248,139	106,006,391
Debt - Soft	5,831,969	4,339,621	5,571,246	5,689,225	6,466,752	5,341,178	5,542,258	6,682,311	5,020,634				50,485,194
Other										7,361,920	7,361,920	4,416,046	19,139,886
TDC	25,279,065	23,918,241	24,148,942	24,660,331	28,030,577	23,151,699	24,023,293	28,964,929	21,762,277	29,447,678	29,447,678	17,664,186	300,498,897
Development Costs													
Acquisition	875,000	272,353	835,882	853,583	970,240	801,364	831,533	1,002,581	753,271	1,019,291	1,019,291	611,421	9,845,811
Construction	17,623,365	16,372,221	16,835,497	17,192,013	19,541,588	16,140,267	16,747,900	20,192,975	15,171,627	20,529,524	20,529,524	12,314,632	209,191,135
Soft Cost	2,181,445	1,767,747	2,083,922	2,128,052	2,418,885	1,997,865	2,073,079	2,499,515	1,877,965	2,541,174	2,541,174	1,524,323	25,635,144
Reserves	779,555	784,712	744,704	760,475	864,406	713,951	740,830	893,220	671,104	908,107	908,107	544,728	9,313,897
Financing Cost	1,900,107	2,551,450	1,815,161	1,853,600	2,106,925	1,740,203	1,805,717	2,177,156	1,635,767	2,213,442	2,213,442	1,327,733	23,340,702
Other	1,919,593	2,169,758	1,833,776	1,872,609	2,128,532	1,758,049	1,824,235	2,199,483	1,652,542	2,236,141	2,236,141	1,341,349	23,172,208
	25,279,065	23,918,241	24,148,942	24,660,331	28,030,577	23,151,699	24,023,293	28,964,929	21,762,277	29,447,678	29,447,678	17,664,186	300,498,897
<i>Cost per unit</i>	371,751	332,198	416,361	397,747	424,706	406,170	381,322	482,749	395,678	490,795	490,795	353,284	411,079

Exhibit B

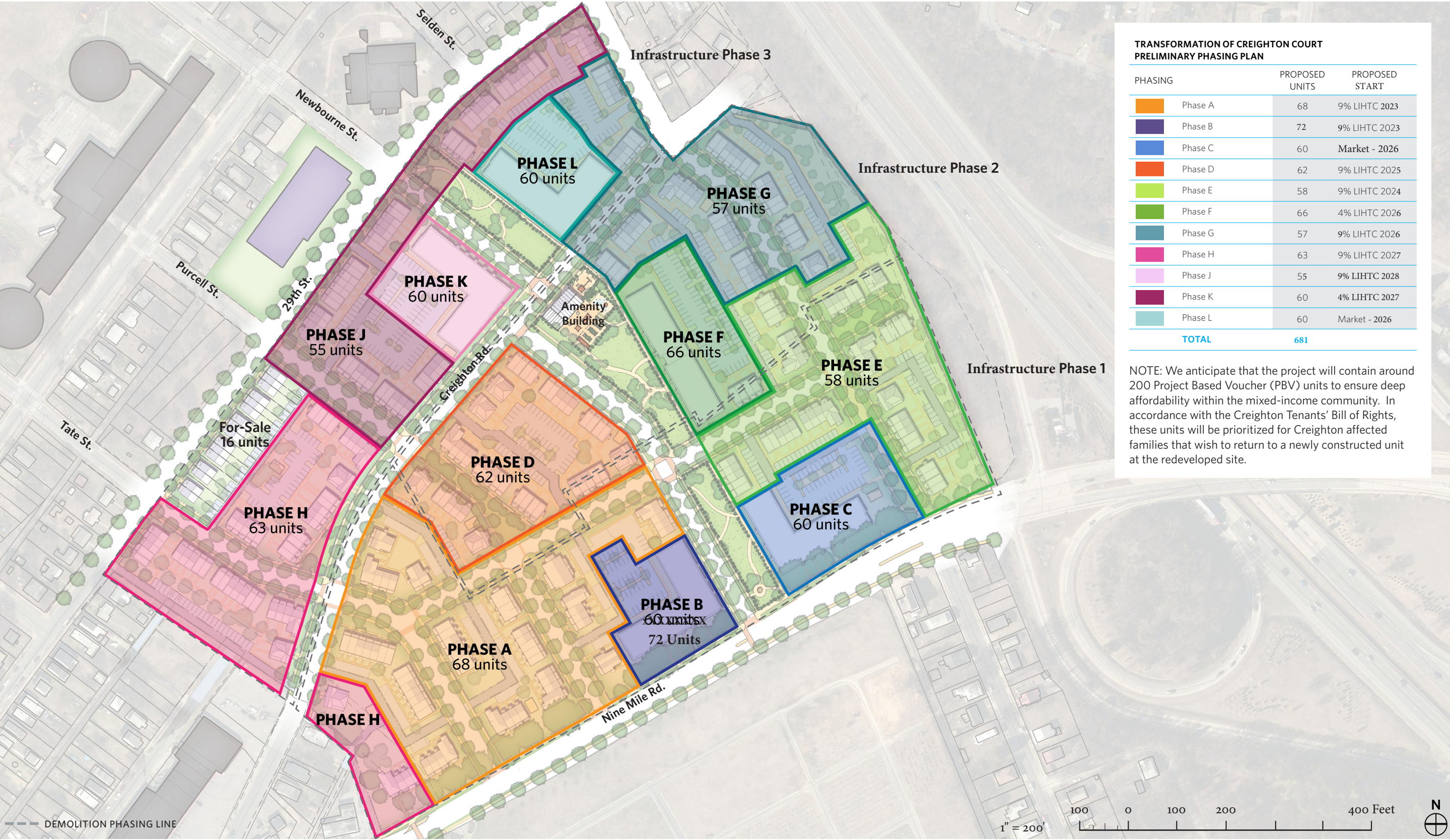
CREIGHTON REDEVELOPMENT - INFRASTRUCTURE BUDGET + TOTAL DEVELOPMENT BUDGET

		PHASE 1.1 BUDGET		PHASE 1.2 BUDGET		PHASE 2 BUDGET		PHASE 3 BUDGET	
Construction	KBS Contract	7,482,964	May 2023 Start	4,215,750	June 2023 Start	10,194,522	Fall 2024 Start	9,981,992	Fall 2025 Start
Civil Design	Timmons Contract	524,445		-	included in Phase 1	389,800		418,575	
Soft Costs	Subtotal	1,374,628		269,450		1,243,048		1,365,378	
	Soft Cost Contingency	137,463	10%	26,945	10%	186,457	15%	409,613	30%
Total		8,995,055		4,512,145		11,624,027		11,756,983	

INFRASTRUCTURE TOTAL 36,888,210

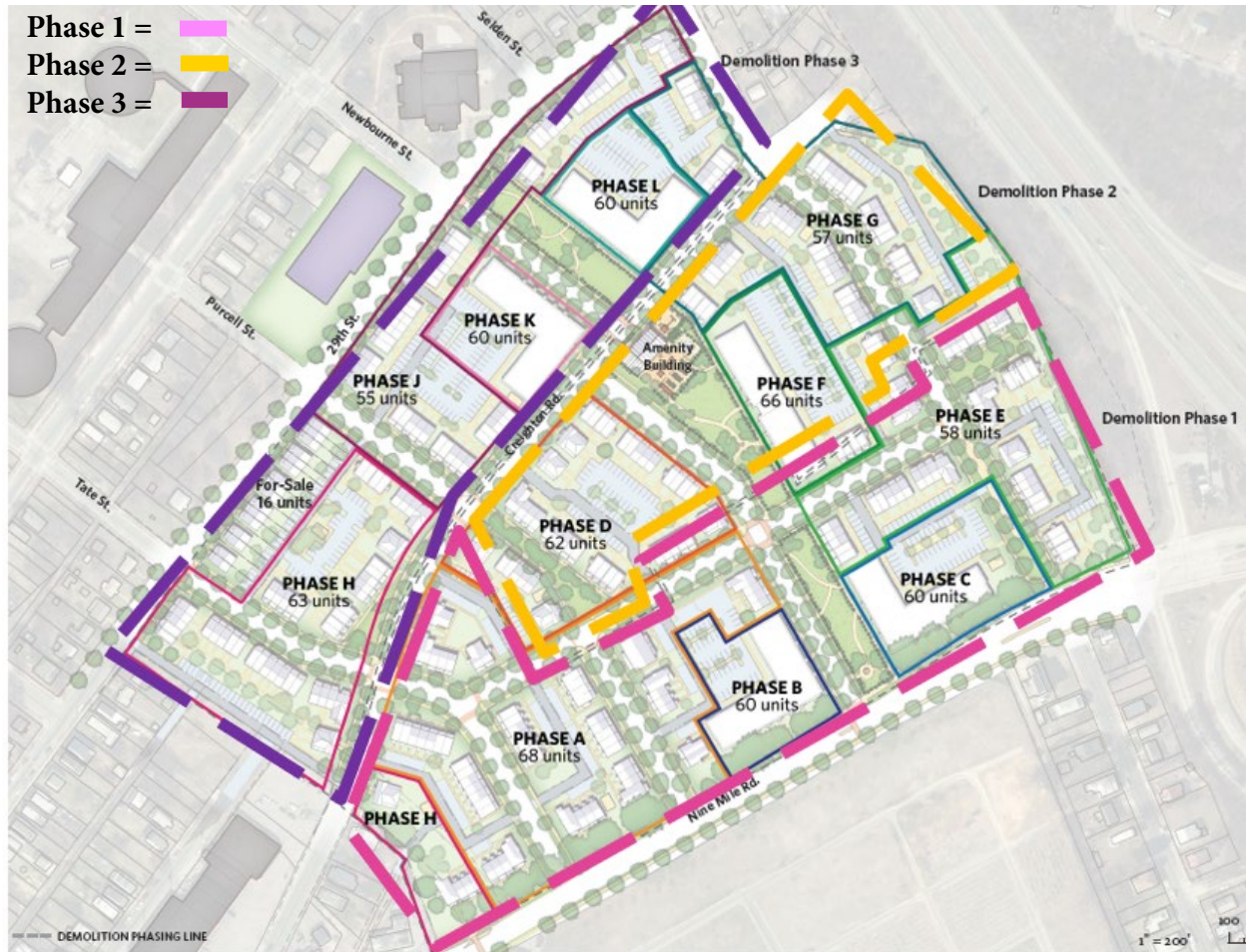
GRAND TOTAL - CREIGHTON COURT REDEVELOPMENT

Vertical Total Budget	300,498,897
Infrastructure Total Budget	36,888,210
Grand Total	337,387,107



CREIGHTON COURT PROPOSED PHASING

Infrastructure Phasing Plan



Creighton Color - Coded Key				
Phase	Type	Building Type	Year Closing	Unit Counts
Infrastructure - Phase 1				
Phase A	Affordable	TH	2023	68
Phase B	Affordable	Elevator	2023	72
Phase E	Affordable	TH	2024	58
Infrastructure - Phase 2				
Phase D	Affordable	TH	2025	62
Phase F	Affordable	Elevator	2025	66
Phase G	Affordable	TH	2026	57
Infrastructure - Phase 3				
Phase H	Affordable	TH	2026	63
Phase K	Affordable	Elevator	2027	60
Phase J	Affordable	TH	2028	55
Phase C	Market Rate	Elevator	2026 - 2028	60
Phase L	Market Rate	Elevator	2026 - 2028	60
Homeownership	Affordable . Market	TH	2026 - 2028	50
Total	731			

Exhibit E
Infrastructure Conditions

1.0 Preliminary Provisions.

- 1.1 **Purpose.** Pursuant to the Agreement, these Infrastructure Conditions govern the performance of all Work involving the Infrastructure Improvements.
- 1.2 **Definitions.** Capitalized terms used, but not defined in these Infrastructure Conditions have the meanings ascribed to them by the Agreement unless the context clearly indicates that another meaning is intended.
- 1.2.1 **Charter.** “*Charter*” means the Charter of the City of Richmond, Virginia, as amended, and all future amendments thereto.
- 1.2.2 **City Code.** “*City Code*” means the Code of the City of Richmond, Virginia, as amended, and all future amendments thereto, with all references to the 2015 codification thereof stated in these Infrastructure Conditions deemed to refer to the corresponding section number in the most recent codification thereof.
- 1.2.3 **DPW Director.** “*DPW Director*” means the City’s Director of the Department of Public Works (DPW) or the written designee thereof.
- 1.2.4 **DPU Director.** “*DPU Director*” means the City’s Director of the Department of Public Utilities (DPU) or the written designee thereof.
- 1.2.5 **Final Plans.** “*Final Plans*” means all plans and specifications necessary to perform all Work, or all work of a phase, of the Infrastructure Improvements, including but not limited to all construction drawings, in a form and condition that such plans and specifications are 100 percent complete.
- 1.2.6 **Infrastructure Improvements.** “*Infrastructure Improvements*” means all on-site and off-site public and private infrastructure improvements required to facilitate the development and operation of the Redevelopment Project, which infrastructure improvements shall include but are not limited to: water, sewer, storm water, gas, and electric (streetlight) utility improvements, utility installations, utility relocations, utility abandonments, traffic signals, street signs, curb and gutter, sidewalks, crosswalks, pavement, pavement markings, other improvements designed to facilitate pedestrian and vehicular movements, bus shelters for GRTC bus stops, landscaping, street lighting, street trees and tree wells, and other pedestrian amenities including trash receptacles, benches, and planters, in accordance with all applicable City and Virginia Department of Transportation (VDOT) standards and guidelines.
- 1.2.7 **Landscaping.** “*Landscaping*” means the landscaping elements of the Infrastructure Improvements.

- 1.2.8 **Preliminary Plans.** “*Preliminary Plans*” means plans and specifications that are approximately 30 percent complete.
- 1.2.9 **Sixty-Percent Plans.** “*Sixty-Percent Plans*” means plans and specifications that are approximately 60 percent complete.
- 1.2.10 **Utility Infrastructure and Capacity Analysis.** “*Utility Infrastructure and Capacity Analysis*” means the utility engineering assessments and capacity modeling studies required by the Director of the City’s Department of Public Utilities to produce the Final Plans. Without limitation, the Utility Infrastructure and Capacity Analysis may include assessments of all water, sewer, and gas lines on the Site, modeling studies for water and sewer capacity to serve to the Redevelopment Project, and stormwater discharge calculations for the Redevelopment Project.
- 1.2.11 **VDOT.** “*VDOT*” means the Virginia Department of Transportation.
- 1.2.12 **Warranty Period.** “*Warranty Period*” means a period of two-years following the City’s acceptance of the Infrastructure Improvements, or phase of the Infrastructure Improvements, pursuant to Section 5.2 of these Infrastructure Conditions for Landscaping, and a period of one-year following the City’s acceptance of the Infrastructure Improvements, or phase of the Infrastructure Improvements, pursuant to Section 5.2 for all other Infrastructure Improvements.

2.0 Process for Infrastructure Improvements.

- 2.1 **Generally.** The Authority shall construct (or, alternatively, the Authority shall cause the same to occur), at Authority’s sole cost and expense, the Infrastructure Improvements, as a whole or in phases, in accordance with plans submitted to and approved by the DPW Director and DPU Director pursuant to Sections 2.0 and 3.0.

2.3 Plans.

- A. The Authority represents and warrants that the Preliminary, Sixty-Percent and Final Plans for the Infrastructure Improvements, either as a whole or in phases, will be designed by a licensed professional engineer or Class B surveyor retained by the Authority (“Authority’s Engineer”) and that said plans will conform to the standards referenced in these Infrastructure Conditions and to generally accepted engineering practices, except where a specific written exemption has been granted by the DPW Director and DPU Director.
- B. The Authority shall submit Preliminary Plans for the Infrastructure Improvements, and ensure that the Preliminary Plans, at the time of submission to the DPW Director and DPU Director, meet all City requirements for Preliminary Plans under the City’s then- existing policies. The Preliminary Plans shall be approved only after such a determination is made by the DPW Director and DPU Director.
- C. Subsequent to the approval of the Preliminary Plans and prior to the submission of

the Final Plans, the Authority shall submit the Sixty-Percent Plans for the Infrastructure Improvements. Prior to the submission of the Sixty-Percent Plans, the Authority shall complete or cause to be completed the Utility Infrastructure and Capacity Analysis. The Authority shall ensure that the Sixty-Percent Plans, at the time of submission to the DPW Director and DPU Director, meet all City requirements for Sixty-Percent Plans under the City's then-existing policies. The Sixty-Percent Plans shall be approved only after such a determination is made by the DPW Director and DPU Director.

- D. Prior to applying for a building permit, the Authority shall submit Final Plans to the DPW Director and DPU Director for review and approval. The Authority shall ensure that the Final Plans submitted to the DPW Director and DPU Director meet all requirements under the City's then-existing policies for Final Plans, including those necessary for obtaining a Work in Streets permit, if applicable.

3.0 **Construction Requirements.**

- 3.1 **Insurance.** The Authority shall not commence or permit to be commenced any Work on the Infrastructure Improvements until first meeting all insurance requirements of Article VIII of the Agreement and, for the issuance of any Work in Streets Permit, to the requirements of Section 24-62 of City Code.

- 3.2 **Indemnification.** These Infrastructure Conditions, and the Authority's performance of them, are subject to the indemnity provisions of Article IX of the Agreement and, as a condition to the issuance of any Work in Street Permit required to complete the Infrastructure Improvements, to the provisions of Section 24-62(4) of City Code.

- 3.3 **Permits.** The Authority shall not commence or permit to be commenced any Work on the Infrastructure Improvements until the Authority has obtained or caused to be obtained, and paid or caused to be paid all required fees for, all Regulatory Approvals with respect to such Work, including, but not limited to, a Work in Streets Permit when applicable.

3.4 **Testing and Monitoring.**

- A. The Authority shall provide and pay or cause to be paid all costs related to the design, engineering and critical inspections with respect to the Infrastructure Improvements. The Authority shall provide all necessary certifications on the subject construction component of the Authority's construction.
- B. The Authority shall provide and pay or cause to be paid the cost of all professional engineering and testing services with respect to the Infrastructure Improvements such as: geotechnical engineering, environmental engineering analysis, critical structure engineering inspections (including, but not limited to: retaining walls, abutments, caissons, piles, piers, footings, etc.), daily construction inspection and the various material science testing services, to adequately monitor the ongoing site construction. This includes such items as the daily testing of soils and soil placement, monitoring cuts and cut slopes, testing engineered fills, checking line

and grade, testing pipe materials and structures prior to their delivery, monitoring storm inlet and sewer manhole placements and other utility structure installations, certifying structural fills and building pads, conducting proof roll tests on subgrades, testing stone placements, testing concrete, testing asphalt, testing steel, foundation inspections, inspecting reinforcement bar placement and form work, etc.

3.5 **Construction Reports.** All required construction inspection requirements shall follow the applicable standards of the City's Department of Public Works, the City's Department of Public Utilities (DPU), Virginia Department of Transportation Materials Division standards and guidelines, those guidelines set by other utilities, and any other standards as may be deemed necessary by the DPW Director and DPU Director in the DPW Director and DPU Director's reasonable discretion.

3.6 **Construction Meetings and Schedule.** The Authority shall schedule and coordinate a pre-construction conference for the Infrastructure Improvements and, as applicable, each phase of the Infrastructure Improvements, and shall schedule and attend regular progress meetings with the City. The Authority shall schedule additional special construction meetings prior to the commencement of significant construction activities. The Authority shall give notice to the City in advance to the actual beginning of construction, and thereafter shall coordinate its construction schedule with the City.

3.7 **Inspections.**

- A. The City may, at any time, inspect the Infrastructure Improvements or any portion thereof, protections, and stormwater management to ensure compliance with the Final Plans, erosion and sedimentation control plans, and all applicable specifications and standards.
- B. Prior to the start of work, all applicable permits must be obtained in accordance with the requirements of each Department/Agency. Where applicable, contracts to extend water mains, wastewater mains, and gas mains shall be executed, separate and apart from these Infrastructure Conditions, prior to the issuance of any permits for construction of such extensions.
- C. DPW will not charge the Authority for costs related to general visit inspections, typical design review and routine surveying performed by DPW.
- D. In accordance with DPU standards and requirements, all sewer improvements shall be verified by television (T.V.) inspection. The Authority shall be responsible for all costs associated with any T.V. inspection. The Authority must submit recordings of such inspections for the City's approval prior to any pavement application.
- E. All water distribution system improvements shall be inspected in accordance with DPU regulations; fees for the inspection shall be determined as part of the water construction permit.

3.8 **Manner of Construction.** All Infrastructure Improvements, erosion and sedimentation

controls, and stormwater management features shall be constructed in a sound professional manner, in accordance with the Final Plans. The Authority shall provide, or cause to be provided, adequate materials and supervision of all Work. All Infrastructure Improvements shall be constructed in compliance with the current standards and specifications of VDOT for all materials, workmanship, seasonal limitations and construction procedures; except where specifically superseded by the Final Plans, or current standards and specifications adopted by DPW and DPU. The installation of gas, water, sanitary sewer, storm sewer and street light infrastructure shall be done in compliance with the applicable DPU standards and specifications, latest revisions, which shall be provided in advance and in writing to the Authority upon request. Any requests for deviation from the adopted material standards shall be submitted in writing to the responsible Department/Agency for review and, as applicable, approved.

- 3.9 **Street Standards.** All Infrastructure Improvements and any other construction or Work performed in the public right of way by the Authority, its agents or assigns, pursuant to these Infrastructure Conditions and the Final Plans shall fully comply with all applicable design parameters and construction standards as provided in the DPW Better Streets Manual, DPW standards manual, DPW Geotechnical Guidelines, DPW Constructions Notes, DPW Pavement Design Guidelines, all applicable VDOT requirements, including but not limited to the VDOT Road and Bridge Specifications and all standards and guidelines of the VDOT Materials Division, and any additional guidelines and standards established by the City, latest revisions, which shall be provided in advance and in writing to the Authority upon request; except where specifically superseded by the Final Plans.
- 3.10 **Requirements upon Final Completion.** Upon 100 percent completion of the Work on the Infrastructure Improvements, or a phase of the Infrastructure Improvements, the Authority shall furnish the City with all required documents relating to the Infrastructure Improvements, or the phase of Infrastructure Improvements, identified in the City's standards applicable to the Infrastructure Improvements:
- A. Upon 100 percent completion of the Infrastructure Improvements, or a phase of the Infrastructure Improvements, the Authority shall submit the following to the DPW Director and DPU Director, who shall review each within ten (10) Business Days of receipt thereof and notify the Authority of any deficiencies, to the extent applicable to Infrastructure Improvements:
 - 1. The final inspection log books.
 - 2. Material testing reports and a fully and properly completed Virginia Department of Transportation Source of Materials Form C-25.
 - 3. A construction inspection report certified by a person licensed as a professional engineer in the Commonwealth of Virginia.
 - B. Upon the 100 percent completion of the Infrastructure Improvements, or phase of the Infrastructure Improvements, the Authority shall, by its engineer, submit the following to the DPW Director and DPU Director, to the extent applicable to the

Infrastructure Improvements:

1. Two complete paper copies of the full as-built plan set of the completed Infrastructure Improvements.
2. Intentionally omitted.
3. Digital files, the format shall be PDF and AutoCAD DWG or DXF format, containing all of the following information, each in a separate layer:
 - a. Existing right-of-way conditions.
 - b. The storm sewer system.
 - c. Water and waste water systems.
 - d. All easements.
 - e. Full as-built plan set of the completed Infrastructure Improvements.

The as-built drawings must include notations, modifications to the drawings, and supplemental drawings to accurately reflect actual construction of all improvements. Both the digital file and the report must be labeled with the plan name, plan number, and the engineering firm. All AutoCAD files must be referenced directly to the Virginia State Plane Coordinate system, South Zone, in the NAD83 Datum.

- 3.11 **Certificates of Occupancy.** The Authority acknowledges that, to the extent consistent with City Code, a certificate of occupancy will not be issued until all underground utilities are installed and field approved with respect to the Project, or phase of the project, and the applicable capacity, connection, and inspection charges and fees are paid, and not until the base pavement for the streets are installed and field approved within the Project, or phase of the project.

4.0. **Surety, Warranty, Default.**

- 4.1 **Requirement for Surety.** At the time it submits its Final Plans for each phase of Infrastructure Improvements, the Authority shall prepare and submit to the City an estimate of costs for the specific phase of Infrastructure Improvements. The Authority shall provide any additional information relating to its estimate of costs as may be reasonably requested by the City. Based upon such estimate of costs and any such additional information, the City will determine the amount of security necessary for the construction of the Infrastructure Improvements, or phase of the Infrastructure Improvements. The Authority shall then furnish, or cause to be furnished to the City a Letter of Credit (LOC), Surety Bond, or Certified Corporate Check in a form approved by the City Attorney in such amount.

- 42 **Warranties.** The Authority hereby warrants that (i) the Infrastructure Improvements will be constructed in a good and workmanlike manner in accordance with the Final Plans and all City and state standards applicable to the Infrastructure Improvements, (ii) there are no unsatisfied liens on any part of the Infrastructure Improvements, (iii) the Infrastructure Improvements will be free of defects during the Warranty Period, and (iv) the Authority shall repair, at its sole cost, any defects that are discovered or may arise during the Warranty Period. During the course of construction and upon completion of such construction, the Authority shall furnish to City evidence, satisfactory to City in City's sole discretion, showing that there has not been filed with respect to the property and improvements to be conveyed to City, or any part thereof, any vendor's, mechanic's, laborer's, materialmen's or similar lien which has not been discharged of record.
- 43 **Default.** The Authority must construct the Infrastructure Improvements in accordance with all requirements of these Infrastructure Conditions. If the Authority fails to meet or honor the agreed upon conditions stated in these Infrastructure Conditions, or any amendments hereto, the DPW Director and DPU Director may declare the Authority in default with the terms of these Infrastructure Conditions. The DPW Director and DPU Director shall advise the Authority of such default in writing. If the Authority fails to rectify such default within 30 days, the DPW Director and DPU Director may take such actions deemed necessary to complete the Infrastructure Improvements, provided that during the Warranty Period the Authority may have such additional period of time (not to exceed 90 days) to rectify such default if the Authority promptly commences to correct such defect and diligently pursues the same to completion. In such case, the surety amount posted to cover the Infrastructure Improvements, along with the legally permitted and reasonable administrative and legal expenses actually incurred by the City in enforcing these Infrastructure Conditions, shall be forfeited. If upon completion of the work it is found that the City's actual cost to complete the Infrastructure Improvements exceeds the estimated cost secured by the set bonding amounts, the Authority shall pay such deficit to the City upon demand, within 30 days.
- 44 **Release of Surety.** Upon faithful completion and final acceptance of all required Infrastructure Improvements, or of a specific phase of Infrastructure Improvements, the DPW Director and DPU Director may reduce the posted surety amount. Such reduced surety shall remain in-place for the Warranty Period. After a warranty inspection by the DPW Director and DPU Director at the end of the Warranty Period, release of the performance bond, letter of credit, or other financial security that the Authority provided pursuant to these Infrastructure Conditions will occur upon the DPW Director and DPU Director's issuance to the Authority of a letter indicating that such performance bond, letter of credit, or other financial security is released. The DPW Director and DPU Director will issue such a letter only if the DPW Director and DPU Director determines that, based on all City and state standards applicable to the Infrastructure Improvements, no defects remain that the Authority is required to correct.

5.0 Certification and Acceptance.

- 5.1 **Certification.** Certification that the Authority has completed the Infrastructure Improvements, or specific phase of the Infrastructure Improvements, will occur upon the

DPW Director and DPU Director's issuance to the Authority of a letter indicating that the City certifies the Authority's satisfactory completion of the Infrastructure Improvements, or specific phase; however, the DPW Director and DPU Director will continue to monitor the Infrastructure Improvements in accordance with the standards set forth in the VDOT Inspection Manual (as amended, as of the time of such monitoring), during the Warranty Period. The DPW Director and DPU Director will issue such a letter only if the DPW Director and DPU Director determines that, based on all City and state standards applicable to the Infrastructure Improvements, the Infrastructure Improvements are complete and the DPW Director and DPU Director has received all required documents relating to the Infrastructure Improvements.

- 5.2 **Acceptance.** Upon certification of the Infrastructure Improvements, or phase of the Infrastructure Improvements, by the DPW Director and DPU Director in accordance with Subsection 5.1, all public infrastructure improvements that are components thereof shall be deemed accepted by the City. To the extent necessary in order to effectuate the City's acceptance thereof (as determined by the City), the Authority agrees to provide appropriate documentation to dedicate the public improvements to the City in a form approved by the Office of the City Attorney.
- 6.0 **Completion Timeline; Failure to Complete.**
- 6.1 **Progression of Work.** Once begun, the Authority shall diligently and continuously progress the Infrastructure Improvements, or specific phase of the Infrastructure Improvements, in accordance with the Project Schedule attached to the Agreement. Should the progress of the work fall behind the referenced schedule, not be diligently and continuously pursued, or abandoned in whole, the DPW Director and DPU Director may declare the Authority in default pursuant to Section 4.3.
- 6.2 **Completion Timeline.** Subject to delays caused by the occurrence of an event of Force Majeure, the Authority shall complete, in a manner in which the City can accept them pursuant to Section 5.1, the Infrastructure Improvements no later than the issuance of the first certificate of occupancy for the Project or phase of the Project.
- 6.3 **Failure to Complete.** Should the Authority fail to timely complete the Infrastructure Improvements, or phase of the Infrastructure Improvements, in accordance with Section 6.1 or Section 6.2, Authority, shall be considered in default for purposes of Section 4.3, and, promptly upon written demand therefor by the Chief Administrative Officer or her designee, shall dedicate any completed or partially completed Infrastructure Improvements to the City.

END OF INFRASTRUCTURE CONDITIONS

Exhibit F

	Parcel No.	Address	Parcel Sq. Ft. +/-
1	N0000005001B	315 N. 6th Street	0.841
2	W0000331026	1112 Idlewood Ave.	0.414
3	E0000738011	3301 Rear Williamsburg Ave.	0.22
4	W0000331036	313 S Harrison St	0.5802
5	S0000226001	400 E 15 th Street	0.2615
6	S0000226012	426 E 15 th Street	0.331