

INTRODUCED: July 26, 2021

AN ORDINANCE No. 2021-209

To rezone the properties known as 2400 Afton Avenue and 2420 Afton Avenue from the R-53 Multifamily Residential District to the B-5 Central Business District (Conditional), under certain proffered conditions.

Patron – Mayor Stoney (By Request)

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: SEP 13 2021 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That, as shown on the survey entitled “‘ALTA/NSPS Land Title Survey’ Showing Two Parcels Totaling 1.801 Acres of Land Bounded by Afton Avenue, Columbia Street, Lynhaven Avenue, and a Public Alley Located in the City of Richmond, Virginia,” prepared by Timmons Group, and dated August 21, 2020, a copy of which is attached to, incorporated into, and made a part of this ordinance, the following properties, with tax parcel numbers as shown in the 2021 records of the City Assessor, are excluded from the R-53 Multifamily Residential District and shall no longer be subject to the provisions of sections 30-418.1 through 30-418.8 of the Code of the City of Richmond (2020), as amended, and that the same are included in the B-5

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: SEP 27 2021 REJECTED: _____ STRICKEN: _____

Central Business District (Conditional) and shall be subject to the provisions of sections 30-442.1 through 30-442.7 and all other applicable provisions of Chapter 30 of the Code of the City of Richmond (2020), as amended:

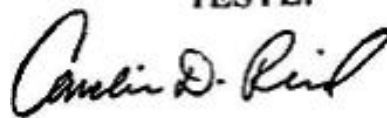
2400 Afton Avenue
2420 Afton Avenue

Tax Parcel No. S008-0237/007
Tax Parcel No. S008-0237/001

§ 2. That the rezoning set forth in section 1 of this ordinance shall be conditioned upon the compliance by the owner or owners with all of the proffered conditions contained in the agreement entitled “Proffer Statement” and dated July 19, 2021, a copy of which is attached to, incorporated into, and made a part of this ordinance. These conditions, having been proffered by the owner or owners and accepted by the City, shall continue in full force and effect until a subsequent amendment to the City’s zoning ordinance changes the zoning of the parcels rezoned by this ordinance and specifically repeals such conditions.

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

**A TRUE COPY:
TESTE:**

A handwritten signature in black ink, appearing to read "Camelin D. Reed".

City Clerk

City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Item Request File Number: PRE.2021.737

O & R Request

DATE: June 25, 2021

EDITION: 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor (By Request)
(This in no way reflects a recommendation on behalf of the Mayor.)



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



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



FROM: Kevin J. Vonck, Acting Director, Department of Planning and
Development Review



RE: To rezone the properties known as 2400 Afton Avenue and 2420 Afton Avenue from the R-53
Multifamily Residential District to the B-5 Central Business District, under certain proffered
conditions.

ORD. OR RES. No. ____

PURPOSE: To rezone the properties known as 2400 Afton Avenue and 2420 Afton Avenue from the R-53
Multifamily Residential District to the B-5 Central Business District, under certain proffered conditions.

REASON: The applicant is requesting to rezone the property to the B-5 Central Business District, which
allows a greater range of uses and densities than the current R-53 Multifamily District.

RECOMMENDATION: In accordance with the requirements of the City Charter and the Zoning
Ordinance, the City Planning Commission will review this request and make a recommendation to City
Council. This item will be scheduled for consideration by the Commission at its August 16, 2021 meeting.

BACKGROUND: The properties combined consist of approximately 78,396 SF, or 1.8 acres, of
unimproved land. The properties are located in the Bellemeade Neighborhood between Columbia Street and
Lynhaven Avenue.

The City's Richmond 300 Master Plan designates these parcels as Residential. Such areas are defined as neighborhoods "...consisting primarily of single-family houses on large- or medium-sized lots more homogeneous in nature."

Primary Uses: Single-family houses, accessory dwelling units, and open space.

Secondary Uses: Duplexes and small multi-family buildings (typically 3-10 units), institutional, and cultural. Secondary uses may be found along major streets.

Currently, adjacent properties to the west are zoned B-2 Community Business, as well as some R-5 Single-Family Residential zones to the north.

FISCAL IMPACT / COST: The Department of Planning and Development Review does not anticipate any impact to the City's budget for this or future fiscal years.

FISCAL IMPLICATIONS: Staff time for processing the request; preparation of draft ordinance; and publishing, mailing and posting of public notices.

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: \$1,600 Application fee

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: July 26, 2021

CITY COUNCIL PUBLIC HEARING DATE: September 13, 2021

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: None

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: City Planning Commission
August 16, 2021

AFFECTED AGENCIES: Office of Chief Administrative Officer
Law Department (for review of draft ordinance)

RELATIONSHIP TO EXISTING ORD. OR RES.: None

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: Draft Ordinance, Application Form, Applicant's Report, Survey, Map

STAFF: Jonathan Brown, Senior Planner, Land Use Administration (Room 511) 646-5734

Application for **REZONING/CONDITIONAL REZONING**

Department of Planning and Development Review
Land Use Administration Division
900 E. Broad Street, Room 511
Richmond, Virginia 23219
(804) 646-6304
<http://www.richmondgov.com/>

Project Name/Location

Property Address: 2400-2420 Afton Ave Date: January 6, 2021
Tax Map #: S0080237007, S0080237001 Fee: \$1,600.00
Total area of affected site in acres: 1.8 AC

(See **page 6** for fee schedule, please make check payable to the "City of Richmond")

Zoning

Current Zoning: R-53 Multifamily

Existing Use: Vacant

Proposed Zoning/Conditional Zoning

(Please include a detailed description of the proposed use and proffers in the required applicant's report)

Existing Use: Vacant

Is this property subject to any previous land use cases?

Yes

No

☐☒

If Yes, please list the Ordinance Number: _____

Applicant/Contact Person: Lory Markham

Company: Markham Planning

Mailing Address: 23 W Broad St

City: Richmond State: VA Zip Code: 23220

Telephone: (804) 248-2561

Fax: ()

Email: lory@markhamplanning.com

Property Owner: 2400 AFTON AVENUE LLC

If Business Entity, name and title of authorized signer: Ed Solarz

(The person or persons executing or attesting the execution of this Application on behalf of the Company certifies that he or she has or have been duly authorized and empowered to so execute or attest.)

Mailing Address: 101 W COMMERCE ST 2ND FL

City: RICHMOND State: VA Zip Code: 23224

Telephone: () Fax: ()

Email: _____

Property Owner Signature: _____

The names, addresses, telephone numbers and signatures of all owners of the property are required. Please attach additional sheets as needed. If a legal representative signs for a property owner, please attach an executed power of attorney. Faxed or photocopied signatures will not be accepted.



January 8, 2021

Mr. Mark Olinger, Director
Department of Planning & Development Review
900 East Broad Street, Suite 511
Richmond, VA 23219
Mark.Olinger@richmondgov.com

RE: Applicant's Report for Rezoning of 2400-2420 Afton Ave

Dear Mr. Olinger,

Please accept this letter as the Applicant's Report for the Rezoning application for the following properties, totaling 1.8 acres, from the R-53 Multifamily zoning districts to the B-5 Central Business zoning district:

Address	Tax Parcel ID	Acreage	Existing Zoning	Ownership
2400 Afton Ave	S0080237007	0.978	R-53	2400 Afton Avenue LLC
2420 Afton Ave	S0080237001	0.822	R-53	2400 Afton Avenue LLC

With this application, the owner of the subject properties is petitioning the City Council to rezone the properties from the R-53 zoning regulations in order to facilitate future development that would be permitted by the regulations of the B-5 district. This requested rezoning is consistent with and in support of the development goals for the Route 1/Bellemeade Priority Growth Node as detailed in the Richmond 300 Master Plan.

Properties

The proposed rezoning will affect two vacant properties near the intersection of Jefferson Davis Highway and Bellemeade Road in an area identified by the Richmond 300 Master Plan as the Route 1/Bellemeade Priority Growth Node. The contiguous properties total 1.8 acres and encompass almost an entire block. The surrounding properties are comprised of a mix between multifamily developments along Bellemeade Road, single-family residences north of Afton Ave, and a variety of commercial and industrial uses along Jefferson Davis Highway.

Zoning Regulations & Background

The properties are located in the R-53 Multifamily zoning district which permits residential development at a density of approximately 35 units per acre. Commercial uses are not permitted under the current regulations. Front, side, and rear yards are required to be not less than 15 feet for multifamily developments. In addition, buildings cannot exceed 60% area coverage of the lot, and heights cannot

exceed 35 feet in general. Under the limitations of the current R-53 zoning and economic feasibility, it is highly likely that the properties will remain undeveloped as they have been for past several years.

This application requests a rezoning to the B-5 zoning district to permit future development of the vacant properties to create a high-quality urban environment. The B-5 regulations are intended to improve streetscape by encouraging an active pedestrian environment with first floor commercial spaces, and windows in building façades along street frontages. The B-5 regulations also permit a variety of commercial uses to complement multifamily use for a mixed-use character that will encourage the growth of residents, jobs, and commercial activity.

Richmond 300 Master Plan

These properties are directly adjacent to the area designated by Richmond 300 as a Priority Growth Node where the City is encouraging the most significant growth in population and development over the next 20 years. Specifically, the Plan recommends prioritizing the rezoning of this Node to encourage the residential development and economic revitalization of the corridor. The Plan envisions the development of medium-scale, mixed-use developments that provide affordable multi-family housing units in addition to market rate housing and commercial uses. Consequently, this increased residential development along the corridors and in the neighboring Nodes would establish a market for services and amenities. In addition, new buildings address the corridors to create a pleasant pedestrian environment with parking minimized.

In order to achieve these goals, new development in the area, especially on vacant properties, must be encouraged provide sufficient density and mix of high quality commercial and residential uses. Accordingly, this requested rezoning of the properties to B-5 regulations is consistent with the growth of the area as envisioned by the Richmond 300 Plan.

City Charter Conditions

Given the recommendations in the City's Richmond 300 Plan, we trust that you will agree with us that the development of the site under B-5 regulations would support the efforts to revitalize the Route 1/Bellemeade Priority Growth Node in a manner consistent with the Plan; and that the rezoning meets the City Charter considerations to be observed in the alteration of zoning regulations.

Thank you for your consideration of this application. Please feel free to contact me at lory@markhamplanning.com or (804) 248-2561 if you have any questions or require additional materials to process the application.

Very Truly Yours,



Lory Markham

Enclosures

cc: The Honorable Reva M. Trammell
Matthew Ebinger, Secretary to the City Planning Commission

GENERAL NOTES:

OWNER INFORMATION:

PARCEL I
LARRY S. BURTON & PAMELA LEONARD BURTON
INST. #020012880
PARCEL ID: S0080237007
2400 AFTON AVENUE
0.985 AC. OR 42,903 SQ. FT.

PARCEL II
LARRY S. BURTON & PAMELA LEONARD BURTON
INST. #020012880
PARCEL ID: S0080237001
2420 AFTON AVENUE
0.816 AC. OR 35,540 SQ. FT.

TOTAL AREA =1.801 AC. OR 78,443 SQ. FT.

- THIS PLAT IS BASED ON A CURRENT TIMMONS GROUP FIELD SURVEY. FIELD WORK COMPLETED AUGUST 21, 2020.
- THIS PLAT WAS PREPARED WITH THE BENEFIT OF A TITLE BINDER PREPARED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, COMMITMENT NO. BCT-2005598, EFFECTIVE DATE OF JUNE 17, 2020, AT 7:00 A.M.
- ZONING: R-53, RESIDENTIAL (MULTI-FAMILY) FROM THE CITY OF RICHMOND, VA PARCEL INFORMATION FOR BOTH PARCELS. NO ZONING LETTER OR REPORT PROVIDED BY CLIENT.
- THESE PROPERTIES LIE WITHIN ZONE "X" PER FLOOD INSURANCE MAP 5101290077D, EFFECTIVE DATE OF APRIL 2, 2009.
- THERE ARE NO GAPS, GORES, OR OVERLAPS AND THE SURVEYED PROPERTY IS THE SAME PROPERTY AS DESCRIBED IN THE TITLE COMMITMENT.
- RANDOM TRASH DEBRIS SPREAD THROUGHOUT THE WOODED PORTIONS OF THE SURVEYED PROPERTY.
- FIELD CREW COULD NOT FIND PIPE CULVERT OR STRUCTURE ON NORTH END OF DRY STREAM BED THAT FEEDS THE DRY STREAMBED DURING THE FIELDWORK PROCESS. STRUCTURE MAYBE BURIED.
- STORM DRAINAGE AND SANITARY SEWER PIPES ARE SHOWN PER CITY OF RICHMOND GIS AND ARE APPROXIMATE.

DESCRIPTION OF PARCEL I-(PER SURVEY):

0.985 ACRE PARCEL BEING MORE FULLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN IRON ROD SET ON THE WEST LINE OF LYNHAVEN AVENUE AND THE SOUTH LINE OF AFTON AVENUE AND LABELED (P.O.B. I) HEREON.

THENCE, ALONG THE WEST LINE OF LYNHAVEN AVENUE, S 05°40'17" E, 154.70 FEET TO AN IRON ROD SET ON THE NORTH LINE OF A +/-22' (PUBLIC) ALLEY.

THENCE, LEAVING THE WEST LINE OF LYNHAVEN AVENUE ALONG THE NORTH LINE OF A +/-22' (PUBLIC) ALLEY, S 84°39'41" W, 275.07 FEET TO AN IRON ROD SET.

THENCE, LEAVING A +/-22' (PUBLIC) ALLEY, N 05°44'20" W, 157.14 FEET TO AN IRON ROD SET ON THE SOUTH LINE OF AFTON AVENUE.

THENCE, ALONG AFTON AVENUE, N 85°10'11" E, 275.28 FEET TO THE TRUE AND ACTUAL POINT OF BEGINNING AND CONTAINING 0.985 ACRES OR 42,903 SQUARE FEET OF LAND, MORE OR LESS.

DESCRIPTION OF PARCEL II-(PER SURVEY):

0.816 ACRE PARCEL BEING MORE FULLY DESCRIBED AS FOLLOWS:

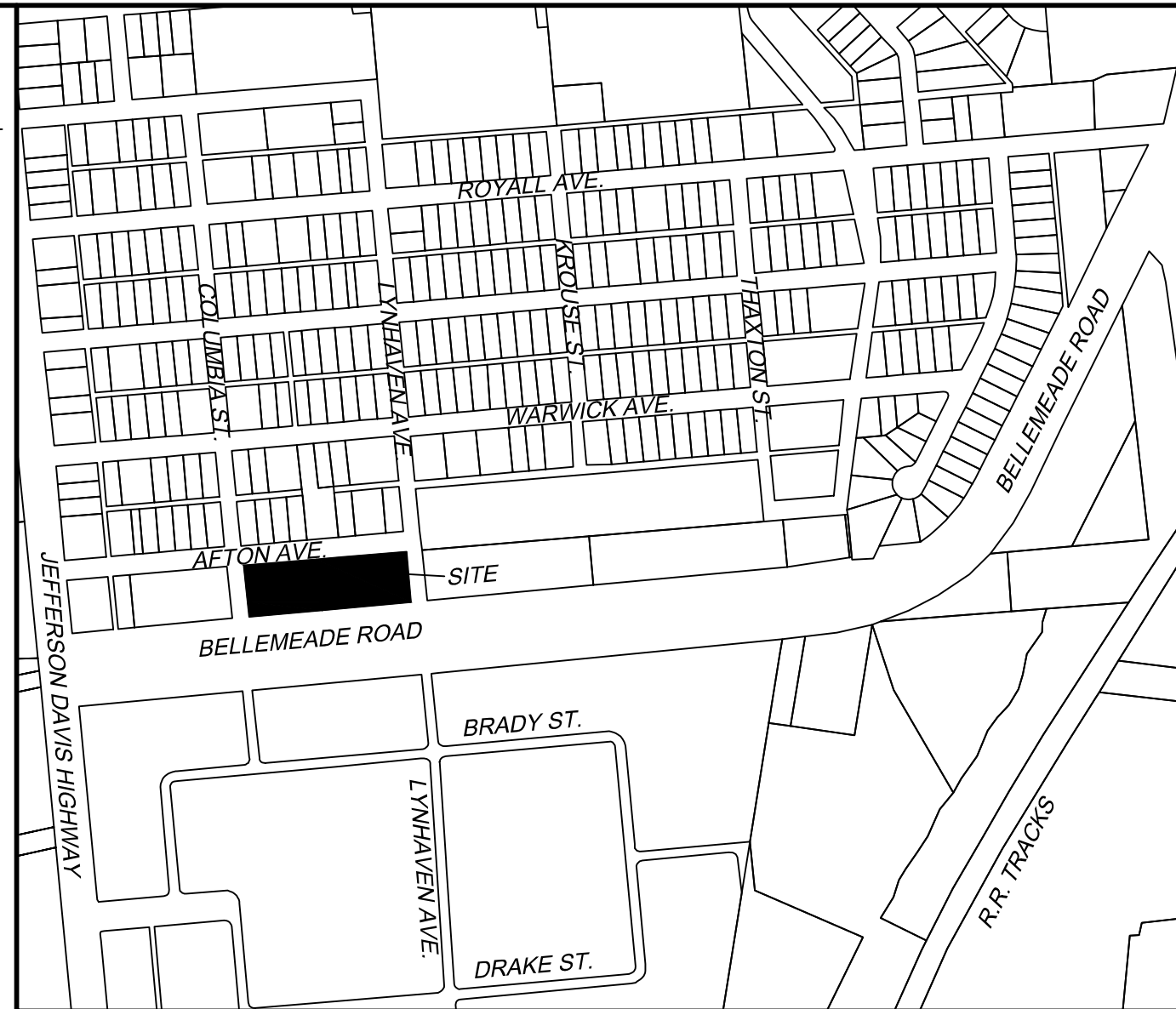
BEGINNING AT A MONUMENT FOUND ON THE EAST LINE OF COLUMBIA STREET AND THE SOUTH LINE OF AFTON AVENUE AND LABELED (P.O.B. II) HEREON.

THENCE, ALONG THE SOUTH LINE OF AFTON AVENUE, N 85°10'11" E, 224.75 FEET TO AN IRON ROD SET ON THE NORTH LINE OF A +/-22' (PUBLIC) ALLEY;

THENCE, LEAVING THE SOUTH LINE OF AFTON AVENUE, S 05°44'20" E, 157.14 FEET TO AN IRON ROD SET ON THE NORTH LINE OF A +/-22' (PUBLIC) ALLEY;

THENCE, ALONG THE NORTH LINE OF A +/-22' (PUBLIC) ALLEY, S 84°39'41" W, 224.76 FEET TO A FOUND IRON ROD;

THENCE, LEAVING THE NORTH LINE OF A +/-22' (PUBLIC) ALLEY AND ALONG THE EAST LINE OF COLUMBIA STREET, N 05°43'41" W, 159.14 FEET TO THE TRUE AND ACTUAL POINT OF BEGINNING AND CONTAINING 0.816 ACRES OR 35,540 SQUARE FEET OF LAND, MORE OR LESS.



VICINITY MAP
1"=500'

SCHEDULE B-II-EXCEPTIONS:

1-3. (NOT A SURVEY MATTER)

- EXAMINATION OF A PLAT OF SURVEY PREPARED BY GEO. M. STEPHENS, JR., C.L.S., DATED JANUARY 17, 1979, RECORDED IN DEED BOOK 552, AT PAGE 224, SHOWS THE FOLLOWING MATTERS:
(A) 25' EASEMENT CROSSES THROUGH LOTS 8, 9, & 10; (AFFECTS PROPERTY AS SHOWN HEREON)
(B) 12" PC SANITARY SEWER AND MANHOLES CROSS THROUGH LOTS 7 & 8; (AFFECTS PROPERTY AS SHOWN HEREON) AND
(C) CREEK CROSSES THROUGH LOTS 6, 7 & 8. (AFFECT PROPERTY AS SHOWN HEREON)
NOTE: RIGHTS OF OTHERS THERETO ENTITLED IN AND TO THE CONTINUED UNINTERRUPTED FLOW OF WATER THROUGH SUCH CREEK.

- RESERVATION OF EASEMENT BY THE CITY OF RICHMOND IN THAT CERTAIN DEED RECORDED IN DEED BOOK 238, PAGE 170 AND IN DEED BOOK 110, PAGE 160, FOR THE CONSTRUCTION, RECONSTRUCTION, MAINTENANCE AND OPERATION OF FACILITIES FOR CONTROLLING THE FLOW OF SURFACE WATER, STORM WATER AND SANITARY SEWERS, AND GAS, WATER AND OVERHEAD AND UNDERGROUND ELECTRIC FACILITIES. SEE INSTRUMENT FOR PARTICULARS. (AFFECTS PROPERTY AS SHOWN HEREON)

- EASEMENT GRANTED TO VIRGINIA ELECTRIC AND POWER COMPANY BY DEED RECORDED IN DEED BOOK 236, PAGE 510. SEE INSTRUMENT FOR PARTICULARS. (AFFECTS PROPERTY AS SHOWN HEREON)

- RIGHTS, IF ANY, OR THE POSSIBLE ASCERTAIN OF RIGHTS, BY ANY PARTIES PROCEEDED AGAINST BY ORDER OF PUBLICATION IN THE CHANCERY SUITE OF THE CITY OF RICHMOND VS. MELROSE LAND AND IMPROVEMENT COMPANY OF MANCHESTER, VIRGINIA, ET AL, HERETOFORE PENDING IN THE LAW AND EQUITTY COURT OF THE CITY OF RICHMOND, VIRGINIA, TO COME IN WITHIN TWO YEARS AND PETITION THE COURT TO HAVE THE CASE REHEARD AND HAVE ANY INJUSTICE CORRECTED, AS PROVIDED FOR BY SECTION 8078 OF THE CODE OF VIRGINIA. NOTE: APPLICABLE TO LOT 3, BLOCK 10 MELROSE. (NOT A SURVEY MATTER)

SCHEDULE C- PROPERTY DESCRIPTION:

THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS:

PARCEL 1.

ALL THOSE CERTAIN LOTS OR PARCELS OF LAND, LYING AND BEING IN THE CITY OF RICHMOND, VIRGINIA, DESIGNATED AS THE EASTERN PORTION OF LOT 5 AND ALL OF LOTS 6, 7, 8, 9 AND 10, IN BLOCK 10, ON THE PLAN OF MELROSE, OF RECORD IN THE CLERK'S OFFICE, CIRCUIT COURT OF THE COUNTY OF CHESTERFIELD, VIRGINIA, IN PLAT BOOK 1, PAGE 322 AND 323, AND AS MORE PARTICULARLY DESCRIBED ON PLAT OF SURVEY MADE BY GEO. M. STEPHENS, JR., C.L.S., DATED JANUARY 7, 1979, A COPY OF WHICH PLAT IS ATTACHED TO AND MADE A PART OF THAT CERTAIN DEED RECORDED IN DEED BOOK 552, PAGE 222, IN THE CITY OF RICHMOND, DIVISION II, TO WHICH PLAT REFERENCE IS HEREBY MADE FOR A MORE PARTICULAR DESCRIPTION OF THE PROPERTY HEREIN CONVEYED.

PARCEL 2:

THOSE CERTAIN LOTS OR PARCELS OF LAND, TOGETHER WITH BUILDINGS AND IMPROVEMENTS THEREON AND APPURTENANCES THERETO BELONGING, SITUATE, LYING AND BEING IN THE CITY OF RICHMOND AND STATE OF VIRGINIA, DESIGNATED WITH REFERENCE TO A PLAT OR PLAN OF MELROSE AS RECORDED IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF THE COUNTY OF CHESTERFIELD, VIRGINIA, IN PLAT BOOK 1, PAGES 322 AND 323, AND BOUNDED AND DESCRIBED AS FOLLOWS, TO-WIT

LOTS ONE(1), TWO (2), THREE(3), FOUR(4) AND APPROXIMATELY THE WESTERN TWENTY-FOUR (24) FEET OF LOT FIVE (5), IN BLOCK TEN (10), DESCRIBED AS BEGINNING AT THE SOUTHEAST CORNER OF COLUMBIA STREET AND AFTON AVENUE AND FROM SAID POINT RUNNING S85°49'19" E ALONG THE SOUTH SIDE OF AFTON AVENUE TWO HUNDRED TWENTY-FOUR AND SEVENTY-SIX HUNDREDTHS (224.78) FEET THENCE S. 5° 05' 35" E. ONE HUNDRED FIFTY-SEVEN AND TWO TENTHS (157.2) FEET TO THE SAID ALLEY; THENCE S. 85° 18' 49" W. TWO HUNDRED TWENTY-FOUR AND SEVENTY-SIX HUNDREDTHS (224.76) FEET; THENCE N. 5° 04' 56" W. ONE HUNDRED FIFTY-NINE AND TWENTY-FOUR HUNDREDTHS (159.24) FEET TO THE POINT OF BEGINNING.

PARCELS 1 & 2 BEING THE SAME REAL ESTATE CONVEYED TO LARRY S. BURTON AND PAMELA LEONARD BURTON, HUSBAND AND WIFE, BY DEED FROM GENE C. BAYNE, DATED APRIL 24, 2002, RECORDED APRIL 29, 2002, IN THE CLERK'S OFFICE, CIRCUIT COURT CITY OF RICHMOND, VIRGINIA, AS INSTRUMENT NO. 02-012880.

"ALTA/NSPS LAND TITLE SURVEY"
SHOWING TWO PARCELS TOTALING 1.801 ACRES OF
LAND BOUNDED BY AFTON AVENUE, COLUMBIA
STREET, LYNHAVEN AVENUE, AND A PUBLIC ALLEY
LOCATED IN THE
CITY OF RICHMOND, VIRGINIA

CITY OF RICHMOND, VA	
Date: AUG. 21, 2020	Scale: 1"=30'
Sheet1 of 1	J.N.:46441
Drawn by: L.M.T.	Checked by:G.F.D.
Revised:	

SURVEY CERTIFICATION:

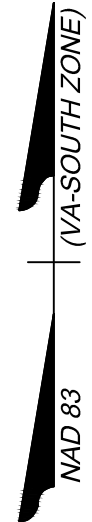
OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY:

THIS IS TO CERTIFY THAT THIS MAP OR PLAT AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH THE 2016 MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/NSPS LAND TITLE SURVEYS, JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS, AND INCLUDES ITEMS 1, 2, 3, 8, AND 13 OF TABLE A THEREOF. THE FIELDWORK WAS COMPLETED ON AUGUST 21, 2020.

DATE: _____
SURVEYOR: _____ LICENSE NUMBER: VA # 003304



Y:\90146441-2400 Afton\ALTA\DWG\46441V.XP\ALTA.dwg | Plotted on 8/21/2020 1:03 PM | by Luke Turner



SCALE 1"=30'
0 30' 60'

LEGEND

- MONUMENT FOUND
- IRON ROD FOUND
- PROPERTY CORNER TO BE SET
- UTILITY POLE
- GUY WIRE
- SIGN
- DRAINAGE MANHOLE
- SANITARY SEWER MANHOLE

CONC.=CONCRETE
C/L=CENTER LINE
D.B.=DEED BOOK
PG.=PAGE
P.B.=PLAT BOOK
INST.#=INSTRUMENT NUMBER
FD.=FOUND
DISTANCES IN PARENTHESIS ARE DEEDED DISTANCES.

THIS DRAWING PREPARED AT THE
CORPORATE OFFICE
1001 Boulders Parkway, Suite 300 | Richmond, VA 23225
TEL 804.200.6500 FAX 804.560.1016 www.timmons.com

TIMMONS GROUP

Proffer Statement

The owner of the properties located at 2420 Afton Avenue (Tax ID S0080237001) and 2400 Afton Avenue (Tax ID S0080237007), together "the Property", hereby voluntarily proffer the following conditions in connection to the rezoning:

1. The owner shall make sidewalk improvements within the Afton Avenue, Columbia Street and Lynhaven rights-of-way adjacent to the Property, including the installation of new sidewalks where none currently exist and the repair of damaged existing sidewalks, which improvements may be completed in one or more phases as approved by the Director of Public Works. All improvements and work within the public right-of-way shall be completed in accordance with the requirements of the Director of Public Works. The Property shall not be eligible for the final certificate of occupancy until all requirements of this subsection are fully satisfied.

Executed this 19 day of July, 2021.

2400 Afton Avenue, LLC
A Virginia limited liability company

By: *Edmund*
Name: EDWARD K. SOLARZ
Its: MANAGING MEMBER

The foregoing was acknowledged before me the 19 day of July, 2021, by (EDWARD K. SOLARZ), as the Managing Member of 2400 Afton Avenue, LLC.

My commission expires: 08-31-2022



Renee Stevens
Notary Public

Notary Reg No. 7010457

**OPERATING AGREEMENT
OF
2400 AFTON AVENUE LLC**

THIS OPERATING AGREEMENT, dated this 5th day of October, 2020, by Jennifer S. Hunt, Robert D. Hunt, Maury DeFreitas, Winnie Spaulding, and Normandy Consulting LLC, the members of 2400 Afton Avenue LLC, a Virginia limited liability company (the Company), provides as follows:

RECITALS:

A. The undersigned parties have caused the Company to be organized as a limited liability company under the laws of the Commonwealth of Virginia pursuant to the Articles of Organization of the Company filed with the State Corporation Commission (the "SCC").

B. The undersigned parties desire to set forth the terms and conditions on which the management, business and financial affairs of the Company shall be conducted as set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises, covenants and conditions herein contained, the parties do hereby covenant and agree as follows:

**ARTICLE I
DEFINITIONS**

1.01 The following terms used in this Operating Agreement shall have the following meanings (unless otherwise expressly provided herein):

(a) Act shall mean the Virginia Limited Liability Company Act, Va. Code 13.1-1000 et seq., as amended and in force from time to time.

(b) Articles shall mean the articles of organization of the Company, as amended and in force from time to time.

(c) Budget Act shall mean the Bipartisan Budget Act of 2015, Pub L. No. 114-74.

(d) Capital Account shall mean as of any given date the amount calculated and maintained by the Company for each Member as provided in Section 6.04 hereof.

(e) Capital Contribution shall mean any contribution to the capital of the Company by a Member in cash, property, or services, or a binding obligation to contribute cash, property, or services, whenever, made. "Initial Capital Contribution" shall mean the initial contribution to the

capital of the Company of a Member pursuant to this Operating Agreement.

(f) Code shall mean the Internal Revenue Code of 1986 or corresponding provisions of subsequent superseding federal revenue laws.

(g) Company shall refer to 2400 Afton Avenue LLC.

(h) Corporation shall mean any corporation duly organized under the laws of its applicable jurisdiction, and active and in good standing within that jurisdiction.

(i) Designated Individual shall mean the individual appointed by the Company to serve as the "designated individual" pursuant to proposed Treasury Regulation 301.6223-1(b)(3) and who is the sole party through whom the Partnership Representative shall act.

(j) Entity shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or other association.

(k) Majority Interest shall mean Members holding more than 50% of the Voting Interests in the Company.

(l) Manager shall mean a manager of the Company, whose rights, powers and duties are specified in Article V hereof.

(m) Member shall mean any Corporation or Person that is specifically identified as a Member in Article III hereof or is admitted as a Member (either as transferee of a Membership Interest or as an additional Member) as provided in Article VII hereof. A Corporation or Person shall cease to be a Member at such time as that Corporation or Person no longer owns any Membership Interest.

(n) Membership Interest shall mean the ownership interest of a Member in the Company, which may be expressed as a percentage equal to such Member's Capital Account divided by the aggregate Capital Account of all Members. The Membership Interest may be recorded from time to time on a schedule attached to this Operating Agreement.

(o) Non-voting Member shall mean a Member owning less than 15% of the Member Interest in the Company.

(p) Operating Agreement shall mean this Operating Agreement, as originally executed and as amended from time to time.

(q) Partnership Audit Rules shall mean the partnership audit provisions of the Budget Act.

(r) Partnership Representative shall mean the Member designated to act as partnership representative of the Partnership for purposes of Code Section 6223(a) or the

designated successor as provided in Section 9.05.

(s) Person shall mean any natural person or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such Person where the context so admits.

(t) Voting Member shall mean Member owning 15% or more of the Member Interest in the Company.

(u) Voting Interest shall mean the Member Interest of a Voting Member.

ARTICLE II

PURPOSES AND POWERS OF COMPANY

2.01 Purpose. The purpose of the Company shall be to engage in any lawful act or activity for which limited liability companies may be formed under Virginia Limited Liability Company Act, Virginia Code Sections 13.1-1000, et seq., as now in effect or hereafter amended (the "Act"), including but not limited to acquire, construct/renovate, own, finance, lease, maintain and operate a housing development to be located on land located Richmond, Virginia identified in the City of Richmond Virginia's tax assessment records as parcel numbers S008023707 and S0080237001 (the "Afton Property"); (c) to eventually sell or otherwise dispose of the housing development; (d) to construct and/or rehabilitate the housing development; and (e) to engage in all other activities incidental or related thereto.

The Company is authorized to execute and submit applications for the reservation/allocation of low-income housing tax credits allowed for low-income housing projects pursuant to Section 42 of the Internal Revenue Code ("Tax Credits") and tax-exempt bonds and Edward K. Solarz ("E. Solarz") is authorized to execute such application and all certificates, affidavits and instruments required in connection therewith.

2.02 Powers. The Company shall have all powers and rights of a limited liability company organized under the Act, to the extent such powers and rights are not prescribed by the Articles.

ARTICLE III

NAMES, ADDRESSES AND PERCENTAGE

OWNERSHIP OF MEMBERS: PRINCIPAL OFFICE

3.01 Names and Address. The names, addresses and percentage ownership of the members are as follows:

<u>Name and Address</u>	<u>Percentages</u>
Normandy Consulting LLC 1206 Normandy Drive Richmond, VA 23229	10%

Jennifer S. Hunt 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	42.75%
Robert D. Hunt 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	42.75%
Maury DeFreitas 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	2.5%
Laura Hopson 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	1%
Winnie Spaulding 101 W Commerce Road, 2 nd Floor Richmond, VA 23224	1%

3.02 Principal Office. The principal office of the Company shall initially be at 101 West Commerce Road, 2nd Floor, Richmond, Virginia 23224. The principal office may be changed from time to time by the Members.

ARTICLE IV

VOTING POWERS, MEETINGS, ETC. OF MEMBER

4.01 In General. The Members shall not be entitled to participate in the day-to-day affairs and management of the Company, but instead, the Members right to vote or otherwise participate with respect to matters relating the Company shall be limited to those matters as to which the express terms of the Act, the Articles or this Operating Agreement vest in the Members the right to so vote or otherwise participate. On any matter requiring action or approval by the Members, only the Voting Members shall be entitled to vote, which Voting Members shall vote in proportion to their respective Membership Interests in the Company.

4.02 Actions Requiring Approval of Members.

(a) Notwithstanding any other provision of this Operating Agreement, the approval of the Voting Members shall be required in order for any of the following actions to be taken on behalf of the Company:

- (i) Amending the Articles or this Operating Agreement in any manner that materially alters the preferences, privileges or relative rights of Members.
- (ii) Taking any action which would make it impossible to carry on the ordinary business of the Company.

- (iii) Confessing a judgment against the Company in excess of \$5,000.00.
- (iv) Filing or consenting to filing a petition for or against the Company under any federal or state bankruptcy, insolvency or reorganization act.
- (v) Loaning company funds in excess of \$25,000 or for a term in excess of one year to any Member.

(b) Unless the express terms of this Operating Agreement specifically provide otherwise, the affirmative vote of all of the Voting Members shall be necessary and sufficient in order to approve or consent to any of the matters set forth in Section 4.02(a) above or any other matters which require the approval or consent of the Members.

4.03 Action by Members. In exercising their rights as provided above, the Members shall act collectively through meetings and/or written consents as provided in this Article.

4.04 Annual Meeting. At the request of one or more Members, an annual meeting of the Members may be held on the second Tuesday in December of each year at 10:00 a.m., or at such other time as shall be determined by the Members for the purpose of the transaction of such business as may come properly before the meeting.

4.05 Special Meetings. Special Meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, shall be called at the request of any Member.

4.06 Place of Meetings. The place of any meeting of the Members shall be the principal office of the Company, unless another place is designated by the Member or Members calling the meeting, and if such place is not within the City of Richmond, Virginia, such other meeting place as is consented to by the all other Members.

4.07 Notice of Special Meetings. Written notice stating the place, day and hour of any special meeting of the Members as well as to the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 60 days before the date of the meeting, either personally or by mail, by or at the direction of the Person or Persons calling the meeting, to each Member, unless the Act or the Articles require different notice.

4.08 Conduct of Meetings. All meetings of the Members shall be presided over by a chairman of the meeting (the Company's President, if one is elected), who shall be designated by the Members. The chairman of any meeting of Members shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seen to it in order, and shall appoint a secretary (the Company's Secretary, if one is elected) of such meeting to take minutes thereof.

ARTICLE V

MANAGERS

5.01 Powers of Managers. Except, as expressly provided otherwise in the Act, the Articles or this

Operating Agreement, the powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed by, one or more Managers, who need not be Members. The powers so exercised shall include but not be limited to the following:

(a) Entering into, making and performing contracts, agreements and other undertakings binding the Company that may be necessary, appropriate or advisable in furtherance of the purposes of the Company.

(b) Opening and maintaining bank accounts, investment accounts and other arrangements, drawing checks and other orders for the payment of money, and designating individuals with authority to sign or give instructions with respect to those accounts and arrangements. Company funds shall not be commingled with funds from other sources and shall be used solely for the business of the Company.

(c) Collecting of funds due to the Company.

(d) Acquiring, utilizing for the Company's purposes, maintaining and disposing of any assets of the Company.

(e) To the extent that funds of the Company are available, paying debts and obligations of the Company.

(f) Borrowing money or otherwise committing the credit of the Company for Company activities, and voluntary prepaying or extending any such borrowings.

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

(h) Making elections available to the Company under the Code.

(i) Registering the Company as a tax shelter with the Secretary of the Treasury and furnishing to such Secretary lists of investors in the Company, if required pursuant to the applicable provisions of the Code.

(j) Obtaining general liability, property and other insurance for the Company, as the Managers deem proper.

(k) Obtaining life insurance on the Managers and/or the Founding Members upon such terms and in such amounts as the Managers deem proper.

(l) Taking such actions as may be directed by the Members in furtherance of their approval of any matter set forth in Section 4.02 hereof.

(m) Doing and performing all such things and executing, acknowledging and delivering any and all such instruments as may be in furtherance of the Company's purposes and necessary and appropriate to the conduct of its business.

5.02 Initial Managers. The initial number of Managers shall be two (2). Members hereby unanimously elect Jennifer S. Hunt and E. Solarz as the initial Managers. Jennifer S. Hunt and E. Solarz will serve as Managers until a respective successor(s) has been duly elected and qualified. Upon the death, resignation, or removal of any of the Managers, the Voting Members holding a Majority Interest may elect a successor or successors as they may determine from time-to-time, provided there is always at least one Manager.

5.03 Action by Two or More Managers. Except as otherwise expressly set forth herein, in the event there is more than one (1) Manager appointed, no Manager may act on behalf of the Company unless such action is approved by a majority of the Managers then serving or, in the event such Managers are deadlocked with respect to approval of an action, a Majority Interest. Each Manager shall exercise its commercially reasonable efforts to promote and protect the interests of the Company and shall devote such time and attention as is reasonably necessary and appropriate to discharge such obligations. A Manager shall not be liable to the Company or to the other Members for any errors or omissions committed in the discharge of its duties hereunder, unless such errors or omissions constitute gross mismanagement, gross negligence, willful or reckless misconduct, a knowing violation of criminal law or intentional breach or disregard of the express terms of this Agreement.

5.04 Executing of Documents and Other Actions. The Managers may delegate to one or more of their number the authority to execute any documents or take any other action deemed necessary or desirable in furtherance of any action that they have authorized on behalf of the Company. As of the date hereof, the Members and the Managers delegate to E. Solarz, the authority to act as an Authorized Signatory of the Company for purposes of entering into contracts for on and on behalf of the Company.

5.05 Single Manager. If at any time there is only one Person serving as a Manager, such Manager shall be entitled to exercise all powers of the Managers set forth in this Section, and all references in this Section and otherwise in this Operating Agreement to Managers shall be deemed to refer to such single Manager.

5.06 Reliance by Other Persons. Any Person dealing with the Company, other than a Member, may rely on the authority of a particular Manager or Managers in taking any action in the name of the Company, if such Manager or Managers provide to such Person a copy of the applicable provision of this Operating Agreement and/or the resolution or written consent of the Managers or Members granting such authority, certified in writing by such Manager or Managers to be genuine and correct and not to have been revoked, superseded or otherwise amended.

5.07 Manager's Expenses and Fees. A Manager shall be entitled, but not required, to receive a reasonable guaranteed payment for services rendered on behalf of the Company or in its capacity as the Manager. The amount of such payment shall be determined by the Managers and consented to by the Members, which consent shall not be unreasonably withheld. The Company shall reimburse any Manager for reasonable out-of-pocket expenses which were or are incurred by the Manager on behalf of the Company with respect to the start-up or operation of the Company, the on-going conduct of the Company's business, or the dissolution and winding up of the Company and its business.

5.08 Indemnification. The Company shall indemnify each Manager, whether serving the Company or, at its request, any other Entity, to the full extent permitted by the Act. The foregoing rights of indemnification shall not be exclusive of any other rights to which the Managers may be entitled. The Managers may, upon the approval of the Members, take such action as is necessary to carry out these indemnification provisions and may adopt approve and amend from time to time such resolutions or contracts implementing such provisions or such further indemnification arrangements as may be permitted by law.

5.09 Liability of Managers. So long as the Managers act in good faith with respect to the conduct of the business and affairs of the Company, no Manager shall be liable or accountable to the Company or to any of the Members, in damages or otherwise, for any error of judgment, for any mistake of fact or of law, or for any other act or thing which it may do or refrain from doing in connection with the businesses and affairs of the Company, except for willful misconduct or gross negligence or breach of fiduciary duty, and further except for breaches of contractual obligations or agreements between the Managers and the Company.

5.10 Limitations Upon the Manager's Authority. Without first obtaining the consent of the Voting Members holding a Majority Interest, the Manager shall not:

- (i) Possess or in any manner deal with the Company's assets or assign the Company's rights in any Company assets for other than Company purposes;
- (ii) Admit a Person as a Member of the Company other than in accordance with the terms of this Agreement;
- (iii) Change or reorganize the Company into any other legal form;
- (iv) Sell, transfer or otherwise dispose, or consent to any such sale, transfer or disposition, of all or substantially all of the Company's property; or
- (v) Do any act which would make it impossible to carry on the ordinary business of the Company.

- (vi) Borrow or incur indebtedness on behalf of the Company in a single amount in excess of \$5,000 or in an aggregate amount outstanding at any time in excess of \$10,000 to any entity;
- (vii) Encumber, pledge or assign Company assets to secure indebtedness in an aggregate principal amount exceeding \$10,000 at any time;
- (viii) Assign, transfer, pledge, or compromise any debts due to the Company, except on full payment or for debts under \$10,000;
- (ix) Take any action outside the ordinary course of the Company's business which may require the Company to pay more than \$10,000;
- (x) Confess a judgment against the Company;
- (xi) Require any Member to contribute to the capital of the Company except as expressly provided in this Agreement; or
- (xii) Refinance any loan to the Company secured by the Property prior to the maturity date of such loan.

The foregoing limitations are in addition to and do not supersede any other limitations or prohibitions expressly imposed upon the Manager under this Agreement or by the Act.

ARTICLE VI

CONTRIBUTIONS TO THE COMPANY AND DISTRIBUTIONS

6.01 Initial Capital Contributions. Each initial Member shall contribute in cash or by bank check, property or services as its initial Capital Contribution the following:

Normandy Consulting LLC	\$10.00
Jennifer S. Hunt	\$42.75.00
Robert D. Hunt	\$42.75.00
Maury DeFreitas	\$2.50
Laura Hopson	\$1.00
Winnie Spaulding	\$1.00
Total	\$100.00

The initial Capital Contribution to be made by any Corporation or Person who after the date hereof is admitted as a Member and acquires its Membership Interest from the Company shall be determined by the unanimous consent of the Members.

6.02 Additional Capital Contributions. No Member shall be required to make any capital contribution in addition to its initial Capital Contribution, except upon the unanimous consent of the Members.

6.03 Interests and Return of Capital Contribution. No Member shall receive any interest on its Capital Contribution. Except as otherwise expressly provided for herein, the Members shall not be allowed to withdraw or have refunded any Capital Contribution.

6.04 Capital Accounts. Separate Capital Accounts shall be maintained for each Member in accordance with the following provisions:

(a) To each Member's Capital Account there shall be credited the fair market value of such Members Initial Capital Contribution and any additional Capital Contributions, such Members distributive share of profits, and the amount of any Company liabilities that are assumed by such Member.

(b) To each Member's Capital Account there shall be debited the amount of cash and the fair market value of any Property distributed to such Member pursuant to any provision of this Operating Agreement, such Member's distributive share of losses, and the amount of any liabilities of such Member that are assumed by the Company or that are secured by any property contributed by such Member to the Company.

(c) The Capital Account shall also include a pro rata share of the fair market value of any property contributed by a person who is not a Member, such value to be the same value reported for federal gift tax purposes if a gift tax return is filed, and if not, the value in the case of the real property shall be determined by an independent M.A.I. appraiser actively engaged in appraisal work in the area where such property is located and selected by the Managers, and otherwise by the certified public accountant or accountants then serving the Company.

(d) If any Member makes a non-pro rata Capital Contribution to the Company or the Company makes a non-pro rata distribution to any Member, the Capital Account of each Member shall be adjusted to reflect the then fair market value of the assets held by the Company immediately before the Capital Contribution or distribution.

6.05 Loans to the Company. If the Company has insufficient funds to meet its obligations as they come due and to carry out its routine, day-to-day affairs, then, in lieu of obtaining required funds from third parties or selling its assets to provide required funds, the Company may, but shall not be required to, borrow necessary funds from one or more of the Members as designated by the Managers; provided that the terms of such borrowing shall be commercially reasonable and the Company shall not pledge its assets to secure such borrowing.

6.06 Effect of Sale or Exchange. In the event of a permitted sale or other transfer of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent they relate to the transferred Membership Interest.

6.07 Distributions. All distributions of cash or other property (except upon the Company's dissolution, which shall be governed by the applicable provisions of the Act and Article VIII hereof) shall be made to the Members in proportion to their respective Membership Interests. All distributions of cash or property shall be made at such time and in such amounts as determined by the Members. All amounts withheld pursuant to the Code or any provisions of state or local tax law with respect to any payment or distribution to the Members from the Company shall be treated as amounts distributed to the relevant Member or Members pursuant to this Section.

6.08 Allocations. All items of income, gain, loss, deduction and credit, whether resulting from the Company's operations or in connection with its dissolution shall be allocated to the Members for federal, state and local income tax purposes in proportion to their respective Membership Interests.

ARTICLE VII

ASSIGNMENT; RESIGNATION

7.01 Assignment Generally. Except as provided in Sections 7.02, 7.03 and 7.04 of this Operating Agreement, each Member hereby covenants and agrees that it will not sell, assign, transfer, mortgage, pledge, encumber, hypothecate or otherwise dispose of all or any part of its interest in the Company to any person, firm corporation, trust or other entity without first offering in writing to sell such interest to the Company. The Company shall have the right to accept the offer at any time during the 30 days following the date on which the written offer is delivered to the Company. The consent of all of the Managers shall be required to authorize the exercise of such option by the Company. If the Company shall fail to accept the offer within the 30 day period, such interest may during the following 60 days be disposed of free of the restrictions imposed by this Operating Agreement; provided, however, that the purchase price for such interest shall not be less and the terms of the purchase for such interest shall not be more favorable than the purchase price and terms of purchase that would have been applicable to the Company had the Company purchased the interest; provided further that the purchaser shall first become a Member pursuant to this Operating Agreement; and provided further that any interest not so disposed of within the 60-day period shall thereafter remain subject to the terms of this Operating Agreement. Notwithstanding the preceding sentence, and except as set forth in Section 7.02, no assignee of a Membership Interests shall become a Member of the Company except upon the consent of all of the non-assigning Members.

7.02 Permitted Transfers. Notwithstanding Section 7.01, a Member shall not be required to offer to sell its Membership Interest to the Company prior to transferring its Membership Interest to its spouse or any of its descendants, to a revocable trust under which it is the beneficiary, or to a trust the sole beneficiaries of which are one or more of the Member, its spouse and its descendants, provided that such transfer is by way of inter vivos gift or testamentary or intestate succession

(each a "Permitted Transferee"). Any assignee of a Membership Interest that is (i) a Permitted Transferee, and (ii) a descendant of Robert D. Hunt or Jennifer S. Hunt or is a trust for benefit of one or more of such descendants, shall automatically become a Member of the Company, and any other assignee of a Membership Interest that is a Permitted Transferee shall become a Member of the Company only upon the consent of all of the non-assigning Managers, or if there are no non-assigning Managers, upon the consent of a Majority Interest of the non-assigning Members.

7.03 Transfer from Custodianships. Notwithstanding Section 7.01, any Membership Interest that is held by a guardian or custodian for an individual under the laws of the Commonwealth of Virginia or any other state shall be fully transferable and assignable to the individual, without an offer being made to the Company, when the minor reaches the age of termination of such custodianship or guardianship under the applicable statute.

7.04 Purchaser of Certain Memberships.

(a) If an Option Event (as defined below) occurs with respect to any Member (an Option Member), the Company shall have the option to purchase the Option Member's Membership Interest upon the terms and conditions set forth in this Section 7.04. For purposes of the foregoing, an Option Event shall mean the (i) the death of a Member, (ii) the inability of a Member to pay its debts generally as they become due, (iii) any assignment by a Member for the benefit of its creditors, (iv) the filing by a Member of a voluntary petition in bankruptcy or similar insolvency proceeding, (v) the filing against a Member of an involuntary petition in bankruptcy or similar insolvency proceedings that is not dismissed within ninety (90) days thereafter or (vi) in the event a Non-voting Member ceases to be an employee of Genesis Properties, Inc., which is an affiliate of the Company. The term Option Member shall include an Option Member's personal representative or trustee in bankruptcy, to the extent applicable.

(b) Upon any Option Event occurring to an Option Member, the Option Member or its personal representative, if the Option Member is incapable of serving notice, shall deliver written notice of the occurrence of such Option Event to the Company. The Company shall have the option, but not the obligation, to purchase the Option Member's Membership Interest at any time during the sixty (60) day period immediately following the date on which it receives notice of the occurrence of the Option Event. Such option shall entitle the Company to purchase such Membership Interest for the fair market value of such Membership Interest. The fair market value of the interest shall be the amount that the Option Member would receive in exchange for its entire interest in the Company if the Company sold all of its assets, subject to their liabilities, at their fair market value as of the date on which the Option Event occurred and distributed the net proceeds from such sale in complete liquidation of the Company. The consent of all the Members excluding the Option Member, shall be required to authorize the exercise of such option by the Company. Such option must be exercised by delivery of a written notice from the Company to the Option Member during the aforementioned period. Upon delivery of such notice the exercise of such option shall be final and binding on the Company and the Option Member.

(c) If the foregoing option is not exercised, the business of the Company shall

continue, and the Option Member shall retain its Membership Interest.

(d) The fair market value of the Option Members Membership Interest shall be determined as expeditiously as possible by a disinterested certified public accountant (CPA) mutually selected by the Option Member and the Company (the Company's selection being made by the Members). If the Option Member and the Company are unable to agree on a disinterested CPA, then the Option Member and the Company shall each select a disinterested CPA and if the disinterested CPAs selected are not able to agree as to the fair market value of the interest, then the two disinterested CPAs shall select a third disinterested CPA who shall determine the fair market value. The determination of the fair market value of the Option Members Membership Interest by the CPA or CPAs shall be conclusive and binding on all parties. All costs of a CPA mutually selected by the Option Member and the Company or the two disinterested CPAs shall be shared equally by the Option Member and the Company. All costs of an individually selected CPA shall be borne by the parties selecting such CPAs.

(e) If the option to purchase the Option Member's Membership Interest is exercised by the Company, then not later than thirty (30) days after the date on which the appraisal described above is complete (the Appraisal Date), the Company shall make a distribution of property (which may be cash or other assets of the Company) to the Option Member with a value equal in amount to the fair market value of the Option Member's Membership Interest; provided, however, that, at the election of the Company, such distribution to the Option Member may be made in five (5) equal annual installments, the first of which shall be made on the thirtieth (30) day after the Appraisal Date, and one of which shall be made on the same date in each of the four years thereafter, provided, further, however, that notwithstanding an election by the Company to make the distribution to the Option Member in five equal annual installments, the Company may accelerate without penalty all of such installments at any time or any part of such installment at any time. If the Company elects to make distributions to the Option Member in five equal annual installments as provided herein, the Company, in addition to such annual installments, shall pay the Option Member additional amounts computed as if the Option Member were entitled to interest on the undistributed amount of the total distribution to which the Option Member is entitled hereunder at an annual rate equal to the annual Federal Mid-Term Rate in effect under Section 1274(d) of the Code, as determined on the 30th day after the Appraisal Date, which additional amounts, computed like interest, shall be due and payable on the same dates as the annual installments of the distribution payable to the Option Member hereunder. Any unpaid Capital Contributions of the Option Member and any damages occurring to the Company as a result of the Option Event shall be taken into account in determining the net amount due to the Option Member at the closing, and any excess of such unpaid Capital Contributions or damages over the amount due at closing shall be netted against subsequent installment payments as they become due.

(f) If at a time when the Company has an option to purchase an Option Member's Membership Interest, it is prohibited from purchasing all or any portion of such Membership Interest pursuant to the Act or any loan agreement or similar restrictive agreement, the Option Member and the remaining Members shall, to the extent permitted by law, take appropriate action to adjust the value of the Company's assets from book value to a fair valuation based on accounting

practices and principles that are reasonable under the circumstances in order to permit the Company to purchase such Membership Interest. If the Company becomes obligated to purchase an Option Member's Membership Interest under this Section and the above action cannot be taken or does not create sufficient value to permit the Company to do so, the Company shall be obligated to purchase the portion of the Membership Interest it is permitted to purchase, with a proportionate reduction in the aggregate purchase price.

(g) In order to fund any obligations under this Operating Agreement, the Company or the Members may maintain such life insurance policies on the lives of one or more Members as the Members determine from time to time to be desirable.

7.05 Absolute Prohibition. Notwithstanding any other provision in this Article VII, except as otherwise set forth in this Agreement, the Membership Interest of a Member, in whole or in part, or any rights to distributions therefrom, shall not be sold, exchanged, conveyed, assigned, pledged, hypothecated, subjected to a security interest or otherwise transferred or encumbered, if as a result thereof, the Company would be terminated for federal income tax purposes in the opinion of counsel for the Company or such action would result in a violation of federal and state securities laws in the opinion of counsel for the Company.

7.06 Members Acquiring Membership Interest from Company. Except as specifically provided in this Agreement, no Corporation or Person who acquires a Membership Interest from the Company (other than the Members of the Company as of the date hereof) shall be admitted as a Member, except upon the consent of the Members.

7.07 Resignation. Any Member may elect to resign from the Company and to sell its entire interest in the Company to the Company at any time by serving written notice of such election upon the Company. Such notice shall set forth the date upon which such resignation shall become effective, which shall be not less than sixty (60) days and not more than ninety (90) days from the date of such notice. The purchase price for the Resigning Member's interest in the Company shall be One Dollar (\$1.00).

7.08 Effect of Prohibited Action. Any assignment or other action in violation of this Article shall be void ab initio and of no force or effect whatsoever.

ARTICLE VIII

DISSOLUTION AND TERMINATION

8.01 Events of Dissolution. The Company shall be dissolved upon the first to occur of the following:

(a) Any event which under the Act or the Articles require dissolution for the Company, provided that the death, resignation, expulsion, bankruptcy, or dissolution of a member or occurrence of any other event that terminates the continued membership of a member in the Company shall not cause the dissolution of the Company.

(b) The unanimous written consent of the Members to the dissolution of the Company.

(c) The entry of a decree of judicial dissolution of the Company as provided in the Act.

8.02 Liquidation. Upon the dissolution for the Company, it shall wind up its affairs and distribute its assets in accordance with the Act by either or a combination of both of the following methods as the Members shall determine:

(a) Withdrawing the Company's assets and, after the payment of Company liabilities, distributing the net proceeds there from to the Member in proportion to their Membership Interests and in satisfaction thereof; and/or

(b) Distributing the Company's assets to the Members in kind with each Member accepting an undivided interest in the Company's assets, subject to its liabilities, in satisfaction of its Membership Interest. The interest conveyed to each Member in such assets shall constitute a percentage of the entire interest in such assets equal to such Member's Membership Interest.

8.03 Orderly Liquidation. A reasonable time as determined by the Members not to exceed twelve (12) months shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to the creditors so as to minimize any losses attendant upon dissolution.

8.04 Distributions. Upon liquidation, the Company assets (including any cash on hand) shall be distributed in the following order and in accordance with the following priorities:

(a) First to the payment of the debts and liabilities of the Company and the expense of liquidation, including a sales commission to the selling agent, if any, then

(b) Second, to the setting up of any reserves which Members (or the person or persons carrying out the liquidation) deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company. At the expiration of such period as the Members (or the person or persons carrying out the liquidation) shall deem advisable, but in no event to exceed eighteen (18) months, the Company shall distribute the balance thereof in the manner provided in the following subsections; then

(c) Third, to the Members in proportion to their respective Membership Interests.

(d) In the event of a distribution in liquidation of the Company's property in kind, the fair market value of such property shall be determined by a qualified and disinterested M.A.I. appraiser actively engaged in appraisal work in the Richmond, Virginia area, selected by the Members (or the person or persons carrying out the liquidation), and each Member shall receive an undivided interest in such property equal to the proportion of the proceeds to which it would be

entitled under the immediately preceding subsections of such property were sold at such fair market value.

8.05 Taxable Gain or Loss. Taxable income, gain or loss from the sale or distribution of Company property incurred upon or during liquidation and termination of the Company shall be allocated to the Members as provided in Section 6.08 above.

8.06 No Recourse Against Members. Except as provided by law, upon dissolution, each Member shall look solely to the assets of the Company for the return of its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contribution of each Member, such Member shall have no recourse against any other Member.

ARTICLE IX **RECORDS, REPORTS, ETC.**

9.01 Records. The Company shall maintain and make available to the Members its records to the extent provided in the Act.

9.02 Financial and Operating Statements and Tax Returns. Within seventy-five (75) days from the close of each fiscal year of the Company, the Company shall deliver to each Member a statement setting forth such Members allocable share of all tax items of the Company for such year, and all such other information as may be required to enable each Member to prepare its federal, state and local income tax returns in accordance with all then applicable laws, rules and regulation. The Company also shall prepare and file all federal, state and local income tax returns required of it for each fiscal year.

9.03 Banking. The funds of the Company shall be kept in one or more separate bank accounts in the name of the Company in such banks or other federally insured depositories as may be designated by the Members or shall otherwise be invested in the name of the Company in such manner and upon such terms and conditions as may be designated by the Member. All withdrawals from any such bank accounts or investments established by the Member hereunder shall be made on such signature or signatures as may be authorized from time to time by all of the Members. Any account opened for the Company shall not be commingled with other funds of the Members or interested persons.

9.04 Power of Attorney.

(a) Each Member does hereby irrevocably constitute and appoint the Managers serving in office from time to time, and each of them, as such Members true and lawful attorney, in its name, place and stead, to make, execute, consent to, swear to, acknowledge, record and file from time to time any and all of the following:

(i) Any certificate or other instrument which may be required to be filed by the Company

or the Members under the laws of the Commonwealth of Virginia or under the applicable laws of any other jurisdiction in order to conduct business in any such jurisdiction, to the extent the Managers deem any such filing to be necessary or desirable.

(ii) Any amendment to the Articles adopted as provided in this Operating Agreement.

(iii) Any certificates or other instruments which may be required to effectuate the dissolution and termination of the Company pursuant to the provisions of this Operating Agreement.

(b) It is expressly understood, intended and agreed by each Member for itself, its successors and assigns that the grant of the power of attorney to the Managers pursuant to subsection (a) is coupled with an interest, is irrevocable, and shall survive the death or legal incompetency of the Member or such assignment of its Membership Interests.

(c) One of the ways that the aforementioned power of attorney may be exercised is by listing the names of the Members and having the signature of the Manager or Managers, as attorney-in-fact appear with the notation that the signatory is signing as attorney-in-fact of the listed Member.

9.05 Partnership Representative.

(a) Jennifer S. Hunt shall serve as the Partnership Representative. The Partnership Representatives shall have all of the powers and obligations set forth in this Section 9.05. The Manager shall take any and all action required under the Code or the Treasury Regulations, as in effect from time to time, to designate Jennifer S. Hunt (including on all applicable Company tax returns) as the Partnership Representative, unless otherwise directed by the all of the Members. The Partnership Representative and the Designated Individual (if any) shall obtain the consent and approval of all of the Members for all actions taken as the Partnership Representative or Designated Individual, as applicable. Should the person acting as the Partnership Representative or the Designated Individual (if any) either: (i) be removed or resign or no longer have the capacity to act; or (ii) fail to obtain the consent and approval from all of the Members prior to acting under this Section 9.05 at the direction of the all of the Members, and to the extent permitted by the Code, the Partnership Representative or Designated Individual, as applicable, shall take such actions as may be necessary or appropriate to resign as Partnership Representative or Designated Individual, as applicable, and the Manager shall take actions as may be necessary or appropriate to appoint a replacement Partnership Representative and/or replacement Designated Individual, as applicable, to be selected by all of the Members. References in this section to Sections 6221 through 6235 of the Code shall mean such sections as they apply to returns filed for Company taxable years beginning after December 31, 2017.

(b) Cooperation. The Manager shall cooperate with the Members in good faith to amend this Agreement if the all of the Members determine that an amendment is required to maintain the intent of the parties with respect to the obligations and limitations of the Partnership

Representative and/or Designated Individual.

(c) Elections and Other Actions. Solely at the direction of and with the consent of all of the Members, but to the extent permitted under the Code, the Partnership Representative and Designated Individual shall:

(i) Elect pursuant to Section 1101(g)(4) of the Budget Act to apply the provisions of Section 1101 of such act to any return of the Company filed for taxable years of the Company beginning after the date that such act was enacted but prior to January 1, 2018;

(ii) Make a Section 6221(b) election;

(iii) Cause the Company to take action pursuant to Section 6225(c) of the Code and the Treasury Regulations promulgated thereunder, including the filing of amended returns pursuant to Section 6225(c)(2) of the Code, at such times as such provision may be applicable;

(iv) Make a Section 6226(a) election;

(v) File a request for an administrative adjustment of a Company item under Section 6227 of the Code;

(vi) Commence an action for judicial review as contemplated in Section 6234 of the Code or appeal any adverse determination of a judicial tribunal;

(vii) Enter into a settlement agreement with the Internal Revenue Service which purports to bind the Company or any of the Members; or

(viii) Enter into an agreement extending the period of limitations set forth in Section 6235 of the Code.

(d) Responsibilities of Partnership Representative and Designated Individual. The Partnership Representative and Designated Individual shall fully comply with the requirements of the Partnership Audit Rules, the Treasury Regulations thereunder, and other Internal Revenue Service guidance and the Partnership shall fully indemnify the Partnership Representative and Designated Individual for undertaking such statutory responsibilities, unless (i) the actions of the Partnership Representative or Designated Individual constitute gross negligence or intentional misconduct, or (ii) the Partnership Representative or Designated Individual fails in a material way to comply with its obligations to notify the Members of any correspondence or communication to, from, or with the Internal Revenue Service (as needed to obtain the consent of all of the Members to any action or inaction in accordance with this Agreement). The Partnership Representative through the Designated Individual shall represent the Company, at the Company's expense, in connection with all examinations of the Company's affairs by tax authorities and all administrative and/or judicial proceedings by the Internal Revenue Service or any government authority involving any income tax return of the Company. The Partnership Representative and Designated Individual

shall promptly furnish to each Member written notice with respect to any and all correspondence or communications to, from, or with the Internal Revenue Service, including, but not limited to, conventional mail, e-mail or other internet-based communications, telephone calls, meetings, or facsimiles, and also including but not limited to the following events and actions:

- (i) The making of any Section 6221(b) election;
 - (ii) The making of any Section 6226(a) election, and a copy of the applicable 6226(a) statement;
 - (iii) The Company's receipt of a notice of administrative proceeding initiated at the "partnership level" (within the meaning of Section 6231(a)(1) of the Code);
 - (iv) The Company's receipt of a notice of "proposed partnership adjustment" (within the meaning of Section 6231(a)(2) of the Code);
 - (v) The Company's receipt of a notice of "final partnership adjustment" (within the meaning of Section 6231(a)(3) of the Code);
 - (vi) The Company's filing of a "request for administrative adjustment" (within the meaning of Section 6227(a) of the Code);
 - (vii) The Company's filing of any petition for judicial review;
 - (viii) The Company's filing of any appeal with respect to any judicial determination;
 - (ix) Any final judicial determination; and
 - (x) Any additional information required by applicable Treasury Regulations.
- (e) The Members have the right to be present at all stages of administrative and/or judicial proceedings involving an income tax return of the Company and monitor or assist with, at its own cost, any such proceeding.
- (f) The Partnership Representative and Designated Individual shall not be required to take any action or incur any expenses for the defense of any audit or the prosecution of any administrative or judicial remedies in its capacity as Partnership Representative unless the Company reserves sufficient funds to pay the expenses of such activities or the Partners agree on a method of funding expenses incurred in connection with such activities.
- (g) Each Member shall furnish to the Partnership Representative or Designated Individual such information that the Partnership Representative or Designated Individual reasonably requires to comply with the requirements of the Code. The Partnership Representative

or Designated Individual annually or more frequently (as the Partnership Representative or Designated Individual shall determine) may request from each Member and former Member and each Member and former Member shall provide such information, including, but not be limited to: (i) the Member's or former Member's current address and its taxpayer identification number; and (ii) if the Member or former Member is an S corporation, such Member's taxpayer identification and the name, address, and taxpayer identification number of each of its shareholders.

(h) Each Member is aware of the income tax consequences of the allocations made by this Agreement and of its duty under Section 6222 of the Code to treat each item of Company income, gain, loss, deduction or credit in a manner that is consistent with the treatment of such items on the Company's tax return(s).

(i) This Section 9.05 shall survive termination of any Member's interest in the Company for any reason and shall be binding on all Partners, including former Partners.

(j) **Tax Returns and Information.** The Partners intend for the Company to be treated as a partnership, rather than as an association taxable as a corporation, for federal income tax purposes. Except as otherwise provided in this Agreement, all tax elections required or permitted to be made by the Company under the Code shall be made by the Manager, subject to the consent of all of the Members. The Manager shall prepare or cause to be prepared all federal, state, and local income and other tax returns that the Company is required to file.

(k) The provisions of this Section 9.05 shall survive the termination of the Company or the termination of any Member's interest in the Company and shall remain binding on the Members for the period of time necessary to resolve with the Internal Revenue Service or the United States Department of the Treasury any and all matters regarding the United States federal income taxation of the Company.

ARTICLE X

MISCELLANEOUS PROVISIONS

10.01 Attorneys Fees. In the event any party brings an action to enforce any provisions of this Agreement, whether such action is at law, in equity or otherwise, and such party prevails in such action, such party shall be entitled, in addition to any other rights or remedies available to it, to collect from the non-prevailing party or parties the reasonable costs and expenses incurred in the investigation preceding such action and the prosecution of such action, including but not limited to reasonable attorney's fees and court costs.

10.02 Notices. Whenever, under the provisions of the Act or other law, the Articles or this Operating Agreement, notice is required to be given to any Person, it shall not be construed to mean exclusively personal notice unless otherwise specifically provided, but such notice may be given in writing, by mail, addressed to the Company at its principle office from time to time and to any other Person at its address as it appears on the records of the Company from time to time, with postage thereon prepaid. Notice to a Person may also be given personally or by telegram or telecopy sent to its address as it appears on the records of the Company. The address of the

Members as shown on the records of the Company shall originally be those set forth in Article III hereof. Any Person may change its address as shown on the records of the Company by delivering written notice to the Company in accordance with this Section.

10.03 Application of Virginia Law. This Agreement, and the interpretation hereof, shall be governed exclusively by its terms and by the laws of the Commonwealth of Virginia, without reference to its choice of law provisions, and specifically the Act.

10.04 Amendments. No amendment or modification of this Operating Agreement shall be effective except upon the unanimous written consent of the Members.

10.05 Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter, and vice versa.

10.06 Headings. The headings in this Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Operating Agreement or any provision hereof.

10.07 Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Operating Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

10.08 Rights and Remedies Cumulative. The rights and remedies provided by this Operating Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

10.09 Severability. If any provisions of the Operating Agreement or the application thereof to any Person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

10.10 Heirs, Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Operating Agreement, their respective heirs, legal representatives, successors and assigns.

10.11 Creditors. None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditor of the Company.

10.12 Counterparts. This Operating Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

10.13 Entire Agreement. This Agreement sets forth all of the promises, agreements, conditions, and understandings between the parties respecting the subject matter hereof and supersedes all prior and contemporaneous negotiations, conversations, discussions, correspondence, memoranda and agreements between the parties concerning such subject matter.

10.15 Normandy Provisions. That certain Employment Agreement dated October 30, 2015, made by and among E. Solarz and Genesis Properties, Inc ("Genesis"). and Genesis Investment Partners, LLC, as subsequently amended by that certain Addendum to Employment Agreement dated as of October 1, 2018 (as so amended, the "E. Solarz Employment Agreement") sets forth additional provisions, incorporated herein by this reference, which govern the Membership Interest of Normandy Consulting LLC, including, without limitation Normandy's share of distributions of the Company's net cash flow or capital proceeds and distributions upon liquidation of the Company (the "Normandy Governing Provisions"). The Normandy Governing Provisions include the following additional provisions: (a) (i) Normandy shall have no consent, approval or voting rights as a result of its Membership Interest in the Company (notwithstanding anything contained in this Agreement to the contrary) and(ii) unless specifically set forth in writing, Normandy shall have no authority to act on behalf of the Company (the "Authority Restrictions"); and (b) transfers of Normandy's Membership Interest are subject to and must comply with the provisions of the E. Solarz Employment Agreement (the "E. Solarz Transfer Provisions"). The Members hereby agree that (i) so long as E. Solarz is a Manager of the Company, the Authority Restrictions will not apply and (ii) to the extent that the E. Solarz Transfer Provisions conflict with the provisions of Sections 7.01,7.02 or 7.04 of this Agreement, the E. Solarz Transfer Provisions shall govern the transfer of Normandy's Membership Interest.

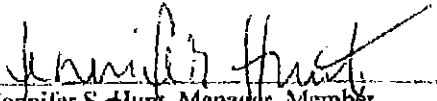
10.15 Maury DeFreitas Provisions. That certain Employment Agreement dated August 21, 2020, made by and among Maury DeFreitas ("M. DeFreitas")and Genesis (the "M. DeFreitas Employment Agreement") sets forth additional provisions, incorporated herein by this reference, which govern the Membership Interest of M. DeFreitas, including, without limitation M. DeFreitas' share of distributions of the Company's net cash flow or capital proceeds and distributions upon liquidation of the Company and the rights of M. DeFreitas with respect to his Membership Interest upon termination of his employment with Genesis (the "M. DeFreitas Governing Provisions"). Transfers of M. DeFreitas' Membership Interest are subject to and must comply with the provisions of the M. DeFreitas Employment Agreement (the "M. DeFreitas Transfer Provisions"). The Members hereby agree that to the extent that the M. DeFreitas Transfer Provisions conflict with the provisions of Sections 7.01,7.02 or 7.04 of this Agreement, the M. DeFreitas Transfer Provisions shall govern the transfer of M. DeFreitas' Membership Interest.


10.16 Afton Property Purchase. The Members hereby agree that the Company is authorized to purchase the Afton Property, and, in connection therewith, any officer, manager or representative of the Company, including, without limitation, E. Solarz, is hereby are authorized and directed to execute and deliver, without attestation, as appropriate in the name of and on behalf of the Company, an Assignment of Purchase and Sale Agreement concerning that certain Commercial Purchase and Sale Agreement dated May 20, 2020 made by and among GENESIS

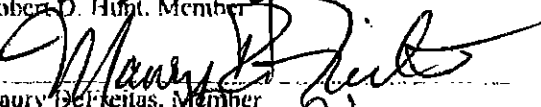
DEVELOPMENT PARTNERS, LLC, a Virginia limited liability company, as purchaser and Larry S. Burton and Pamela L. Burton, as sellers, concerning the Afton Property, settlement statements, agreements, instruments, certificates and other documents as they or any of them deem appropriate in connection with the purchase of the Afton Property.

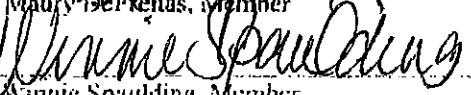
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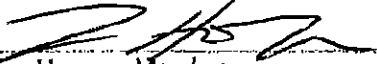
The undersigned, being all the Members and the Initial Managers of the Company, hereby agree, acknowledge and certify that the forgoing Operating Agreement constitutes the sole and entire Operating Agreement of the Company, unanimously adopted by the Members of the Company as of the date first written above.


Jennifer S. Hunt, Manager, Member


Robert D. Hunt, Member


Maury Derkatis, Member


Winnie Spaulding, Member


Laura Hopson, Member

Normandy Consulting LLC,
a Virginia limited liability company, Member

By: 
Edward K. Solarz, Manager


Edward K. Solarz, Manager