

**Minutes of a Meeting of the  
Newport News Redevelopment and Housing Authority  
April 16, 2024**

Having duly given public notice, the Board of Commissioners of the Newport News Redevelopment and Housing Authority met at 227 27<sup>th</sup> Street, in the City of Newport News, Virginia, at 8:30 a.m. on Tuesday, April, 16, 2024.

**Pledge of  
Allegiance**

Mr. Holloman led the assembly in the Pledge of Allegiance to the Flag of the United States of America.

**Roll Call**

The meeting was called to order by the Chairman, and those present were as follows:

Commissioners present: -  
William Black  
George Knight  
Lou Call  
Barbara Holley  
Kenneth Penrose  
Thaddeus Holloman  
Dr. Lisa Wallace-Davis

Also present: Raymond H. Suttle, Jr.  
Kaufman & Canoles, P.C.

Karen R. Wilds  
Executive Director

Lysandra Shaw,  
Deputy Executive Director

Valerie Ellis, Director  
Administrative Services

Lisa Dessoify, Director - via ZOOM  
Finance

David Staley, Director  
Community Development

Tera Lockley, Director  
Housing

Kayonia Betts  
Executive Assistant

Torkeesha Brooks  
Deputy Executive Assistant

Karren Douglas  
NNRHA IT Department

Tricia Wilson - via ZOOM  
City of Newport News, Department of Development

**Minutes of a Meeting of the  
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April 16, 2024**

Gaby Miller, Director  
CliftonLarsenAllen LLP

Jamesa Parker  
Legal Aid of Eastern VA

DeAnna Smith  
Legal Aid of Eastern VA

<b>Approval of Minutes March 19, 2024</b>	Commissioner Black moved that the minutes of the regular meeting of the Board of Commissioners held on March 19, 2024 be approved. The motion was seconded by Commissioner Penrose and passed with a unanimous vote.
<b>Communications</b>	The following communications were provided to the Board and reviewed by the Executive Director. The Executive Director elaborated on some of the issues that may arise from the new budget proposal. PHADA (Public Housing Authorities Directors Association) has reported that the HUD budget raises major concerns regarding issues that focus on public housing funds and the housing choice voucher account. Concluding that the HUD plan creates a “moral hazard” for HA’s because it encourages risky and even irresponsible agency behavior.
<b>New Business</b>	
<b>The Board of Commissioners of the Newport News Redevelopment and Housing Authority approving the report on examination of financial statements for year ended June 30, 2023</b>	The Board has been provided copies of the Financial Statements and Report of Independent Auditor prepared by the accounting firm of CliftonLarsonAllen, LLP for the Authority’s year ending June 30, 2023. This is an unmodified opinion for the financial statements. For the Housing Voucher Cluster Federal awards, the opinion is qualified due to identified material weaknesses and significant deficiencies. There were six programmatic findings related to the Low-Rent Public Housing Eligibility, Section 8 Project-Based Cluster Eligibility and the Housing Choice Voucher Program Cluster related to eligibility, HQS Inspections, reasonable rent calculations, and HUD-50058 PIC submissions. Significant deficiencies in internal control over compliance, material weakness and material noncompliance (Modified Opinion) were noted in the programs. Required documentation to support the eligibility determinations, inspections, rent determinations, and PIC submissions were not maintained in several of the tenant files reviewed. Gaby Miller, a Director in the firm, attended our Board meeting to present a brief presentation and respond to any questions that came up about the audit. The Executive Director attributed some of the deficiencies to the significant decline in staff during COVID but assured the board that there was an action plan in place to mediate the problems. Commissioner Holloman asked the Executive Director to speak on the financial implications of the audit findings. The Executive Director then turned the floor over to the Director of Finance to expound on the audit findings. Commissioner Holloman suggested the additional documentation be presented to the firm and fixed before June 30th to prevent the same items from being reflected on our 2024 audit report.



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Commissioner Black made a motion to approve the resolution. Commissioner Penrose seconded the motion which passed with a unanimous vote. The resolution is attached to and made a part of these minutes.

**The Board of Commissioners of the Newport News Redevelopment and Housing Authority approving the contract for services between the NNRHA and City of Newport News for the administration of the HOME Investment Partnerships Program for PY 2023-2024**

The Board has been provided copies of a resolution Authorizing the Executive Director to execute contracts for services between the City of Newport News and the Newport News Redevelopment and Housing Authority for the administration of the HOME Investment Partnerships (HOME) for the 2023-2024 program year. The City Council approved the Consolidated Plan for Housing and Community Development and the Annual Action Plan on May 23, 2023 and authorized the City Manager to execute contracts with NNRHA. The overall objective of the HOME program is to expand the supply of safe, decent, and affordable housing in the community. This encompasses a wide range of activities including building, buying, and rehabilitating affordable housing for rent or homeownership down payment assistance to low-income people. The HOME program also helps to expand the capacity of non-profit, Community Housing Development Organizations (CHDOs). The Executive Director stated that 10% of the grant is allocated to administrative costs and 15% being allocated to community development housing organizations including Habitat for Humanity. The Executive Director recommended Board approval of the attached resolution in order to continue important community development initiatives in the City of Newport News. The Board's action will allow the Executive Director to carry out the activities outlined in the executed agreements subject to HUD's formal approval. The Contracts outline specific programs for which the Authority has administrative and program responsibilities. Attorney Suttle has reviewed and approved the Contracts.

Commissioner Black made a motion to approve the resolution. Commissioner Holloman seconded the motion which passed with a unanimous vote. The resolution is attached to and made a part of these minutes.

**The Board of Commissioners of the Newport News Redevelopment and Housing Authority approving the continuation of the Authority Scholarship Program**

The Board has been provided copies of a resolution for the continuation of the NNRHA Scholarship Program for our Public Housing residents and Housing Choice Voucher program participants. The resolution provides for the continuation of the NNRHA scholarship program for our Public Housing residents and Housing Choice Voucher program participants. Since 1989, we have been able to provide two scholarships annually in the amount of \$1,000 each for four years to graduating seniors or others who wish to pursue higher education who reside in public or assisted housing. These two scholarships are awarded each year at the Scholarship Banquet along with those supported by our private scholarship donors. Last year, a total of twelve (12) scholarships were awarded to our public housing residents and Section 8 clients. A total of 6 scholarships were given at state level during the VAHCDO conference of which 2 of the 6 scholarships were from Newport News. This year's banquet will be held in-person as opposed to being held virtually during COVID at the Downing- Gross Cultural Arts Center on May 22<sup>nd</sup> at 5:00 p.m.

Funds are available to continue this program with two scholarships for 2024 and adoption of the resolution is recommended by the Executive Director

Commissioner Holloman made a motion to approve the resolution. Commissioner Knight seconded the motion which passed with a unanimous vote. The resolution is attached to and made a part of these minutes.

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**Report to the  
Board**

A Report to the Board for March, 2024 had been provided to the Commissioners. A copy of the subject report is on file in the office of the Executive Director.

Ms. Lockley reported the NNRHA Controlled Multi-Family Properties Waitlist data as follows; There are 1527 Public Housing applications, 15 of which are approved and 1512 are pending. There are 330 Housing Choice Voucher applications, of which 90 are approved and 240 are pending. The Housing Choice Voucher waiting list will be opening up within the next 60 days.

The Public and Assisted Housing Occupancy statistics data was reported by Ms. Lockley as follows;

The Public Housing Program Is currently at 97% occupancy, the Housing Choice Voucher Program is at 95%, the Mod-Rehab Program which includes Warwick SRO is at 96% and we currently have 196 Housing Choice Voucher and Public Housing families that have completed their goal of homeownership.

Ms. Shaw sits on the Board of the Virginia Association of Housing and Community Development Officials and she asked Matthew Heckles and Cary Schmidt to speak during the conference. Mr. Heckles is the HUD head Philadelphia Regional Director and Ms. Schmidt is the HUD Richmond area Office Manager. As a result they came to tour the NNRHA CNI project and highlighted us during the conference and were very pleased with the work that was being done. Ms. Shaw also reports that the Lift and Rise property is at 98% occupancy with 2 open units, verifying that the open units were not as a result of a former Ridley resident being evicted but there were other residents in that community. Our developer, Pennrose has scheduled the build out of our commercial space to start on April 15, 2024 to create a warm box and completion is slated in the next 6-8 weeks. The former Ridley site, Choice Neighborhood III-R is approximately 80% complete with an estimated completion between May and June. The Choice Neighborhood IV-R is 60% complete with an estimated completion in November 2024. Infrastructure is 80% complete and the Wellness Trail is 12% complete. As stated in last month's Board Meeting we collaborated with the Citizens Advisory Committee on the name for elements and we settled on the name Legacy Landing for the housing portion and are still working with the committee to name elements of the trail. For the downtown phase – 28<sup>th</sup> Street and Washington Ave we are still working on sources for the project and we are also planning to have the virtual design charette in May to include stakeholders from that community to get input for the project. Urban Strategies, Inc is continuing to work with families, they have 199 families assessed. Ms. Shaw was able to participate in a women's panel last month to talk about women's health and mental health awareness. There were speakers present from Riverside and a lot of former Ridley residents showed up for that panel as well.

Ms. Ellis reports that Community Resources staff have been very active in the community with resident events. Residents at Spratly House, Ashe Manor and Pinecroft enjoyed the Easter event sponsored by the Newport News Public Library Outreach Department. Serve the City volunteers also visited Ashe Manor and Spratly House in March. They provided games, snacks and fellowship on a Monthly basis. The Community Resources staff like to keep the senior residents engaged and busy. Community Resources is proud of our 2 young scholarship recipients. We also participated in the 2024 Black Family Wellness Expo, connecting with vendors and partners who were passionate about promoting health and wellness in the Black community was inspiring. Looking forward to participating in next year's Expo.



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Mr. Staley reports Community Development’s preparation of the Annual Action Plan for PY 2024-2025 is underway. The Annual Action Plan continues the goals of the 5 year consolidated plan which focuses on providing safe, decent affordable housing and creating opportunities for the citizens of Newport News. The goals include housing preservation and neighborhood revitalization. Expanding economic development activity, homelessness intervention in special populations, increasing affordable housing units and community services programs and senior initiatives. The update on Capital Activity includes our staff being able to move back into the administrative offices at Marshall Courts. The replacement of HVAC systems and duct work was challenging with supply chain issues. The system is still being monitored for optimal performance. Orcutt Townhomes I, which is our rental assistance demonstration project, is 62% complete. The first 8 units which front on 35th Street are nearing completion and construction. We anticipate having those units completed and inspected by the end of the month. Contracts pending for paving projects to include the Wilburn Building, Aqueduct, Ashe Manor Apartments, Pinecroft Apartments, and Marshall Courts Apartments.

Ms. Dessoify thanked the directors and staff for coordinating efforts during the audit.

**Other Business**

**Closed Session**

Commissioner Holloman moved to enter the board into a closed session for the purpose of discussion of a personnel matter consistent with Virginia Code 2.2-3711 (A) (1). Commissioner. Knight seconded the motion which passed with a unanimous vote.

Coming out of closed session Mr. Holloman made a motion to certify that only public business matters lawfully exempted from open meeting requirements by Virginia Law and only those matters as identified in the motion were discussed in the closed meeting today. Commissioner Holloman requested approval of the resolution certifying adherence to the Virginia Freedom of Information Act. The motion was seconded by Mr. Black and passed with a unanimous vote.

**Adjournment**

There being no other business to come before the Board, the Chairman adjourned the meeting at 9:50am.

\_\_\_\_\_  
Secretary-Treasurer

**ITEM NO. 4**  
**COMMUNICATIONS**





227 27<sup>th</sup> Street | P.O. Box 797 | Newport News, VA 23607  
P: 757.928.2620 | F: 757.247.6535 | TTY: 757.247.7112  
[www.nnrha.com](http://www.nnrha.com)

Karen R. Wilds  
*Executive Director*

BOARD OF  
COMMISSIONERS

Lisa Wallace-Davis  
Chairman  
Thaddeus Holloman  
Vice Chairman

William C. Black  
Kenneth D. Penrose, Jr  
George B. Knight  
Lou Call  
Barbara Holley

April 19, 2024

Michael Taylor  
Housing Choice Voucher  
Program Manager  
Newport News Redevelopment and Housing Authority

Dear Michael,  
I am so proud that you have been selected as the recipient of the 2024 Newport News Human Rights Commission Making a Difference Award.

You have dedicated your career to the important human services field of assisting families with one of the most basic human necessities- decent housing.

The Commission could not have selected a better candidate -your compassion and your drive to serve is unmatched.

Congratulations!

Sincerely,

A handwritten signature in black ink, appearing to read 'Karen', with a long horizontal flourish extending to the right.

Karen R. Wilds





2410 Wickham Avenue  
Newport News, VA 23607  
(757) 247-0379  
(757) 247-6527 (fax)  
hrcapinc.org

April 2, 2024

Mr. Michael Taylor  
Housing Programs Supervisor  
Newport News Department of Human Services  
2709 Jefferson Avenue (Kline Building)  
Newport News, VA 23607

Dear Mr. Taylor,

Congratulations! The Hampton Roads Community Action Program in partnership with the Newport News Human Rights Commission, and the Peninsula Community Development Corporation (PCDC) join to honor individuals, non-profit organizations, and businesses for the exemplary contributions towards eliminating discrimination and advancing human and civil rights. You have been selected as a recipient of the **2024 Newport News Human Rights Commission (NNHRC) Making a Difference Award** that recognizes a person, organization or business that supports NNHRC's mission to safeguard all individuals within the city from unlawful discrimination; preserve the public safety, health, and general welfare; further the interest, rights, and privileges of individuals within the city and protect citizens of the city against unfounded charges of unlawful discrimination.

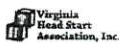
For more than 58 years, HRCAP has been in the forefront of addressing key community issues and implementing programs to fight poverty. Today we offer programs in the areas of Housing, Workforce Development, Veterans Services, and Head Start.

You will be recognized with other individuals and organizations during the Pathways to Progress Breakfast on **Tuesday, April 23, 2024, at 8:30 am**. The event will be held at the Holiday Inn Newport News-Hampton located at 980 Omni Blvd., Newport News, VA 23606.

Your acceptance of this award would be an honor to HRCAP and the Resource Development Committee. Upon receipt of this letter please forward a copy of your bio and a headshot that will be used in the program booklet. Should you have any questions or need additional information, please contact me at 757.593.4796 or [yvette.young@hrcapinc.org](mailto:yvette.young@hrcapinc.org). Thank you for your community service and strong commitment to making a positive difference.

Sincerely,

Yvette V. Young  
Pathways to Progress Breakfast Committee



#### BOARD OF DIRECTORS

**Officers:** Van Noland, Chairperson | Charlene Christopher, Vice Chairperson | Xavier Beale, 2<sup>nd</sup> Vice Chairperson | Delvin Peeks, Treasurer | Kimberly Frost, Secretary | Michelle Little, Assistant Secretary | Atty. Phil Hatchett, Parliamentarian | Angela Futrell, Immediate Past Chairperson

**Members:** Dr. Valarie Brown | Jill Davis | Adriene Crawley-Dent | Councilman Billy Hobbs | Councilman John Eley | Elva Williams Hunt, Ph.D. | Rev. Dr. Tremayne Johnson | Tiffany Legette | David Messinger, CPA | Michelle Little | Tonya Perkins | Kelli Ragland | Keisha Samuels | Khadijah Sellers | Kevelyn Vance | Shelton Tucker | Shirley Wills | Rev. Dr. Reginald Woodhouse

**Chief Executive Officer:** Edith G. White





**TINA L. VICK, Councilwoman**  
**JESSIE M. RATTLEY MUNICIPAL CENTER**  
2400 Washington Avenue  
Newport News, Virginia 23607

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April 18, 2024

Ms. Karen R. Wilds, Executive Director  
Newport News Redevelopment and Housing Authority  
P.O. Box 797  
Newport News, VA 23607

Subject: 2024-2025 Community Development Block Grant (CDBG) Proposed Awards

Dear Ms. Wilds:

The Community Development Block Grant (CDBG) Application Review Committee has considered the three (3) applications submitted for funding. I am pleased to inform you that funding for your organization in the amounts reflected below will be recommended to City Council for inclusion in the 2024-2025 Community Development Block Grant Program.

Administration	\$251,653.00
Rehabilitation/Preservation	\$396,872.00
Strategic Acquisitions	\$300,000.00

Please be aware that 2024-2025 CDBG allocations have not yet been published by the Department of Housing and Urban Development. Therefore, level or reduced funding was generally applied in these awards based on the current (PY 2023-2024) allocation. It is imperative that you keep in mind that the above allocations will only be awarded to your agency subject to availability of funding under the 2024-2025 CDBG entitlement allocation from HUD.

On Wednesday, May 15, 2024, the City of Newport News and the Newport News Redevelopment and Housing Authority will hold a virtual citizen participation public hearing to discuss the draft copy of the Annual Action Plan for the 2024-2025 program year. The meeting will be held virtually via Zoom beginning at 6 p.m. All interested parties are welcome to attend. The Zoom meeting link is as follows:

<https://us06web.zoom.us/meeting/register/tZUqduGvqj4vEtTXZ96Jf1Zz9LtPUMAppy3Z>

Additionally, citizens can attend the Newport News City Council meeting that will be held on Tuesday, June 11, 2024 at 7:00p.m. in City Council Chambers where the Annual Action Plan for 2024-2025 will be considered for approval. Interested parties are welcome to attend the meeting.

Sincerely,

Tina L. Vick, Councilwoman  
Chairman, CDBG Application Committee



**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

Financial Management Center  
2380 McGee Street, Suite 400  
Kansas City, MO 64108-2605

OFFICE OF PUBLIC AND INDIAN HOUSING

May 2, 2024

VA003  
NEWPORT NEWS REDEVELOPMENT & HA  
PO BOX 797  
NEWPORT NEWS, VA 23607-0797

Dear Executive Director:

**SUBJECT: Housing Choice Voucher Program – Change in HA Fiscal Year from 06/30 to 12/31 (old/new FY)**

This is to inform you that we have modified our records to show a change in fiscal year end for your agency from 06/30 to 12/31. The letter you received from the Office of Public Housing dated April 8, 2024, stated that your request has been approved.

Your agency fiscal year has been extended to a 18-month transition period beginning July 1, 2023, through December 31, 2024, in HUD's accounting system, HUDCAPS, fiscal year end changes are completed prospectively. Beginning January 1, 2025, and thereafter, the PHA's fiscal year will be from January 1 to December 31.

Enclosed is a signed copy of the HUD notice amending the Consolidated Annual Contributions Contract (CACC) form HUD 52520 and revised funding exhibits reflecting the changes described above. The amendment notice and revised funding exhibits should be filed with your most recent executed CACC.

Please contact your Financial Analyst, if you have any questions or need any other information.

Sincerely,

June E. Burnes

Digitally signed by June E. Burnes  
DN: CN = June E. Burnes, C = US  
O = Financial Management Center,  
OU = Division Director  
Reason: I am approving this document

June Burnes  
Division Director

Enclosures




**ITEM NUMBER 5**

**New Business**

- a. Consider a resolution authorizing the Executive Director to enter into a contract with Habitat for Humanity Peninsula and Greater Williamsburg
- b. Consider a resolution approving the operating agreement for GO Senior Living, LLC

## NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY

## MEMORANDUM

DATE: May 21, 2024  
TO: All Members, Board of Commissioners  
FROM: Karen R. Wilds, Executive Director   
SUBJECT: Habitat for Humanity - Community Housing Development  
Organization (CHDO) Funding Award

The Authority administers the HOME Investment Partnerships Program on behalf of the City of Newport News. The purpose of this program is to expand the supply of affordable housing and to strengthen the ability of the locality and nonprofit organizations to design and implement strategies for providing decent, safe, and affordable housing.

In addition to two (2) existing HOME initiatives (HOMECare and HOMEVestor), a minimum of 15% of HOME program funding is designated for new residential development and rehabilitation initiatives by Community Housing Development Organizations (CHDOs). CHDOs must include the provision of decent affordable housing for low-to-moderate income residents.

CHDO funding for the current year is being allocated on a rolling basis upon the receipt of applications to the Authority. These submissions are reviewed and recommended for approval by both Authority and City staff. In this process, consideration is given to the organization's capacity, utilization of previous allocations and adherence to program guidelines. The proposed recipient in this case, Habitat for Humanity Peninsula and Greater Williamsburg (Habitat) meets the prerequisites for CHDO funding.

Habitat has requested a total of \$150,000.00 in CHDO grant funds. Funding will be used towards the construction of three (3) single family homes located at 2404 Marshall, 2800 Marshall and at 1047 36<sup>th</sup> Street. In addition to CHDO funds, Habitat for Humanity housing is made possible by financial sponsorships, in-kind contributions and the support of municipalities, businesses, local faith groups and volunteer labor, including 400 hours of sweat equity.

It is proposed that the \$150,000.00 requested by Habitat will be in the form of a grant with a fifteen (15) year affordability period. The grant would be forgiven at the end of the fifteen (15) years. Once the homes are completed, they will be sold to families who are at or below 80% of the area median income (AMI). The



Authority and Habitat have executed a Development Agreement for each property detailing the required provisions to be followed.

Board approval of \$150,000.00 in HOME program funding to support Habitat's affordable housing initiatives is recommended.

**RESOLUTION OF THE  
NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY  
AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT  
WITH  
HABITAT FOR HUMANITY PENINSULA AND GREATER WILLIAMSBURG**

WHEREAS, the Newport News Redevelopment and Housing Authority (the Authority) administers the HOME Investment Partnerships Program on behalf of the City of Newport News; and

WHEREAS, the HOME Investment Partnerships Program, approved by City Council as part of the Consolidated Housing and Community Development Plan for PY 2020-2024, provides funds to assist certified Community Housing Development Organizations (CHDOs) in the provision of new housing and/or rehabilitation of existing structures for low to moderate income families; and

WHEREAS, Habitat for Humanity Peninsula and Greater Williamsburg, which is a certified CHDO, has requested HOME program funds totaling \$150,000.00 for the construction of three (3) single family homes for low-to-moderate income families in the City of Newport News; and

WHEREAS, this request from Habitat for Humanity Peninsula and Greater Williamsburg has been reviewed by the City and the Authority and it has been determined that this CHDO meets all of the prerequisites for the receipt and use of this assistance.

NOW THEREFORE, BE IT RESOLVED that this request for CHDO assistance is hereby approved and the Executive Director is authorized to enter into a CHDO Grant Contract/Program Agreement with Habitat for Humanity Peninsula and Greater Williamsburg to provide CHDO set-aside funds to this organization in a total amount not to exceed \$150,000.00, it being understood that such Agreement has been reviewed by the Authority's legal counsel.

# COMMUNITY HOUSING DEVELOPMENT ORGANIZATION GRANT CONTRACT/PROGRAM AGREEMENT

## PART I - BASIC AGREEMENT

THIS AGREEMENT entered into on the \_\_\_\_ of May 2024 by and between the Newport News Redevelopment and Housing Authority, hereinafter referred to as the "Authority" and Habitat for Humanity Peninsula and Greater Williamsburg, Inc. (HFHPGW) hereinafter referred to as "Recipient".

WITNESSETH THAT:

WHEREAS, the City of Newport News has filed with the U.S. Department of Housing and Urban Development a Consolidated Plan for the use of PY 2020-2021 funds through the HOME Investment Partnerships Program, in accordance with the provisions of the National Affordable Housing Act of 1990, as amended, and regulations issued pursuant thereto, and received funding approval from the U.S. Department of Housing and Urban Development dated respectively December 28, 2020 hereinafter referred to as "Funding Approval"; and

WHEREAS, the City of Newport News has designated the Newport News Redevelopment and Housing Authority as the administrating entity for the City's HOME Investment Partnerships Program; and

WHEREAS, the HOME Investment Partnerships Program, approved by City Council on August 11, 2020 as part of the Consolidated Plan, appropriated funds for the CHDO Set-Aside Program; and

WHEREAS, Habitat for Humanity Peninsula and Greater Williamsburg, Inc. is certified by the City of Newport News as a Community Housing Development Organization (CHDO) and is eligible to apply for HOME Program CHDO Set-Aside Funds; and

WHEREAS, the City of Newport News has designated Habitat for Humanity Peninsula and Greater Williamsburg Inc., as a recipient of CHDO Set-Aside Funds in the amount up to \$150,000.00 through the City's HOME Program; and

WHEREAS, this agreement incorporates by reference the Authority's Project Description, revisions and additional information supplied by the Authority and approved by the City of Newport News including any certifications, resolutions and agreements contained therein.

NOW, THEREFORE, the Newport News Redevelopment and Housing Authority has designated Habitat for Humanity Peninsula and Greater Williamsburg, Inc. for the considerations under the conditions hereinafter set forth do hereby covenant and agree as follows:



**A. PROJECT DESCRIPTION/PROJECT BUDGET**

1. The Recipient shall use up to \$150,000 in HOME Program CHDO Set-Aside Funds as homebuyer assistance in the form of down payment assistance for the purchase of three single family homes. Assistance in the amount of \$50,000.00 will be provided to each homebuyer.

**Unit Descriptions:**

2404 Marshall Avenue  
Newport News, VA 23607

2800 Marshall Avenue  
Newport News, VA 23607

1047 36<sup>th</sup> Street  
Newport News, VA 23607

***\*\*Prior written approval is required for changes to the project addresses\*\****

2. Project Budget for CHDO funds

Property Address	CHDO Funds
2404 Marshall Avenue Newport News, VA 23607	\$ 50,000.00
2800 Marshall Avenue Newport News, VA 23607	\$ 50,000.00
1047 36 <sup>th</sup> Street Newport News, VA 23607	\$ 50,000.00
<b>Total</b>	<b>\$150,000.00</b>

***\*\*Prior written approval is required for any budget revisions\*\****

3. Homes shall be sold to a low to moderate income homebuyer, as defined in 24CFR part 92, who earns not more than 80% of the area median income.

These limits are the maximum amount of annual gross income a household can have and be eligible to occupy a HOME-assisted unit. Annual income limits are published [here](#).

2023 HUD Income Limits at 80 Percent AMI (Newport News)							
1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
\$55,450	\$63,400	\$71,300	\$79,200	\$85,550	\$91,900	\$98,250	\$104,550

4. The property's purchase price and appraised value shall not exceed the limits for single-family detached housing prescribed by the U.S. Department of Housing and Urban Development. Annual home sales prices are published at:

2023 HUD HOME Homeownership Sales Price Limit			
1 Unit	2 unit	3 unit	4 unit
\$261,000	\$334,000	\$405,000	\$502,000

## B. AFFORDABILITY/RESIDENCY REQUIREMENTS

1. All mortgage/deed of trust agreements which convey the properties presented in A-1 from the Recipient to the eligible homebuyers will contain a recapture provision, approved by the Authority, to enforce an affordability period not exceeding 15 years, adjusted for the amount of HOME funds invested in accordance with 24 CFR 92.
2. The applicable affordability period shall commence on the date that the project is complete and all required documentation is provided to the Authority. The affordability period is based on the total amount of HOME funds invested (local and/or state) in accordance with 24 CFR Part 92 as outlined in the table below:

HOME Funds Provided	Affordability Period
< \$15,000	5 years
\$15,000 - \$40,000	10 years
> \$40,000	15 years

3. All mortgage/deed of trust agreements which convey the properties presented in Section A.1. from the Recipient to the eligible homebuyer will grant the Authority the "right of first refusal" in the event of the sale of the HOME-assisted property prior to the completion of the affordability period established in B.2.
4. All mortgage/deed of trust agreements used in the Recipient's affordable homebuyer program shall be submitted to the Authority for review to ensure compliance with the affordability provisions set for the in 24 CFR 92 and adopted by the City of Newport News in its HOME Program description.
5. The proposed sales price of each HOME-assisted unit shall be provided to the Authority for staff review and approval prior to the commitment of HOME funds to the unit.
6. The Recipient shall be bound by the terms of this agreement for the period of affordability stated in B.2.
7. The Deed of Trust or other recorded document between the Recipient and the homebuyer must stipulate that the homebuyer will maintain the property as his/her principal residence throughout the duration of the affordability period. The Recipient must certify at least bi-annually that the property is owner-occupied. If the property fails to meet the principle residency requirement, the Recipient must immediately notify the Authority that the property is no longer in compliance and the Recipient must recapture the full amount of HOME investment from the homebuyer and return it to the Authority.



## **C. REPAYMENTS**

Repayment of up to \$150,000.00 in CHDO project funds for this project shall be required if the Recipient fails to comply with the requirements set forth in this agreement. Enforcement of this agreement shall be in accordance with Section M and the duration of the agreement is set forth in Section N.

The Recipient may retain legitimate return on the investment of CHDO Set-Aside Funds in this project to finance additional eligible CHDO projects in the City of Newport News. Return on HOME investment and subsequent reinvestment activities shall be reported to the Authority at least annually, or more frequently upon the Authority's request, for a period of not less than five years from the date of this agreement unless otherwise extended by the Authority. Reinvestment of any HOME derived proceeds in future CHDO projects shall be subject to the approval of the Authority for a period of not less than five years from the date of this agreement unless otherwise extended by the Authority. If the Recipient ceases to be a certified Community Housing Development Organization, then any return on HOME investment will be assigned to the Newport News Redevelopment and Housing Authority to be invested in HOME eligible activities.

The amount of proceeds subject to this provision shall be 25% of the total HOME investment in the project. For example, if the Authority provides \$125,000 towards a project, \$31,250 (25% of \$125,000) of the proceeds must be reinvested to finance additional eligible CHDO projects. Funds available for reinvestment shall be used only for the development of affordable homeownership projects or rental unit rehabilitation projects as specified in the HOME Regulations (24 CFR 92). If the Recipient ceases to be a certified Community Housing Development Organization, then any return on HOME investment will be assigned to the Newport News Redevelopment and Housing Authority to be invested in HOME eligible activities.

## **D. ADMINISTRATIVE REQUIREMENTS**

### **1. Submission of Project Documentation**

The Recipient shall provide all documentation required in accordance with 24 CFR Part 92 for HOME assisted projects to include any amendments or revisions thereof. The Recipient agrees to provide any and all documentation required by Notices and/or other Directives published by the U.S. Department of Housing and Urban Development. Finally, the Recipient agrees to furnish any additional information as required by the City of Newport News and/or the Newport News Redevelopment and Housing Authority. The Recipient agrees to comply with this requirement in full for each project activity prior to receipt of HOME funds under the Contract for that individual activity.

### **2. Uniform Administrative Requirements**

The Recipient shall provide all personnel, equipment and materials necessary to implement the activities listed in this program agreement, and



such related activities as may be necessary to carry out completely, satisfactorily and in a timely manner the objectives of the Application and Funding Approval in accordance with the provisions of the law and plans prepared therefore. All such activities shall be in accordance with Authority established procedures and conform to the requirements set forth in 2 CFR 200.302, "Financial Management" and 2 CFR 200.303, "Internal Controls".

3. Other Administrative Responsibilities

- a. The Recipient in carrying out its specified responsibilities shall conform to applicable requirements of Federal, State and local law including, but not limited to, National Affordable Housing Act of 1990, as amended, and the Uniform Relocation and Real Property Acquisition Policies Act of 1972, and the Code of Virginia, as amended.
- b. The Recipient shall meet its responsibilities under this agreement through the use of its own staff or development team members.
- c. The Recipient agrees that it will provide documentation to receive recertification of CHDO status bi-annually.

**E. PROJECT REQUIREMENTS**

The Recipient shall comply with the project requirements in 24 CFR 92 Subpart F, as applicable with the type of project assisted with these CHDO Set-Aside Funds. These requirements are outlined in Part II - Terms and Conditions, Item 29.

**F. HOUSING QUALITY STANDARDS**

1. Completed units will meet HUD Housing Quality Standards (24 CFR 882.109), applicable local codes, rehabilitation standards, and ordinances.
2. Units assisted with CHDO Set-Aside Funds are subject to inspection by the Authority before, during, and after rehabilitation or construction to determine compliance with the provisions referenced in F-1 as well as the appropriateness of activities and estimated costs proposed by the Recipient.

**G. OTHER PROGRAM REQUIREMENTS**

1. Recipient assures that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in any phases of employment or client service, by its own organization, subsidiary corporations, contractors, or vendors.
2. The Recipient shall carry out each activity in compliance with all federal laws and regulations described in 24 CFR Part 92 Subpart H, except that the

Recipient does not assume the participating jurisdiction's responsibilities for environmental review in Section 92.352 or the intergovernmental review process in Section 92.359. Applicable federal laws and regulations are listed in Part II - Terms and Conditions, Item 30.

#### **H. AFFIRMATIVE MARKETING**

The Recipient must adopt the marketing steps outlined in the City of Newport News Affirmative Marketing Plan (AMP). This plan consists of marketing steps designed to attract eligible local persons from all racial, ethnic, and gender groups to HOME-assisted housing.

#### **I. CONDITIONS FOR RELIGIOUS ORGANIZATIONS**

A faith-based organization receiving HOME CHDO Set-Aside funds may not: use HOME funds directly to support any inherently religious activities, such as worship, religious instruction, or proselytization; acquire, construct, or rehabilitate sanctuaries, chapels, or other rooms that a HOME-funded religious congregation uses as its principal place of worship, are ineligible for HOME-funded improvements except to the extent that regular program activities are conducted in these facilities; disposition of real property after the term of the grant, or any change in use of the property during the term of the grant, is subject to government-wide regulations governing real property disposition in providing program assistance including repayment of grant funds to the Authority; discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.

#### **J. REQUESTS FOR DISBURSEMENTS OF FUNDS**

##### **1. Project Set-Aside Funds**

Disbursements will be made by the Newport News Redevelopment and Housing Authority upon certification and completion of the project. Requests for disbursements prior to project completion may be honored if the Recipient is providing downpayment or closing cost assistance to the homebuyer. The total disbursement shall not exceed the grant dollar amount awarded by the City of Newport News. The Authority reserves the right to inspect all work prior to the approval and disbursement of funds. Funds will not be disbursed to the Recipient until the Authority receives all required project documentation.

#### **K. REVERSION OF ASSETS**

In the event of the expiration or termination of this contract, unless otherwise extended, the Recipient shall transfer to the Authority any HOME funds on hand at the time of such expiration or termination and any accounts receivable attributable to the use of HOME funds. Any real property under the control of the Recipient that was acquired or improved in whole or in part with HOME funds must be disposed of



in a manner that results in the Authority being reimbursed in the amount of HOME funds invested in the property.

**L. RECORDS AND REPORTS**

1. The recipient shall maintain records in accordance with 24 CFR 92 and in such manner as prescribed by the Authority.
2. Recipient will give the Authority access to and the right to examine all records, books, papers, or documents related to the project. The Recipient shall make available to the Authority for review all reports, records, surveys, or other data relating to this project. Records shall be readily accessible to the Authority and the City of Newport News during the course of the project and shall remain intact and accessible for the period of affordability and at least five years thereafter. However, if any litigation claim or audit is started before the expiration of the affordability period plus the five-year period then the records shall be retained until such action is resolved.
3. The Recipient shall record in its accounting system all funds received by it pursuant to the projects and its program and all other funds provided for, accruing to, or otherwise received on account of the program.
4. All project costs, including paid services, shall be supported by properly executed invoices, contracts, or vouchers evidencing in proper detail the nature and propriety of the charges. All checks, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or part to any project activity with program funds shall be clearly identified, readily accessible, and separate and distinct from all other such documents. Such documents shall reside at the offices of the Recipient.
5. The Recipient further agrees to report on the use of funds under this agreement. The Recipient shall furnish regularly, and in such form as the Authority may require, reports concerning the status of project activities and HOME funds. Such reports shall be submitted in the form and manner as prescribed by the Authority. These reports may include but not necessarily be limited to:
  - a. Quarterly status reports on all project activities.
  - b. Sufficient documentation of activities accomplished for HOME Program reimbursements.
  - c. Notification in writing of any violations or noncompliance with the applicable laws, rules and standards specified herein and recommended corrective actions to assure compliance with the above.
  - d. Information required for the Consolidated Plan Annual Performance Report.



6. The Recipient shall adopt and follow a financial management and reporting system which complies with Federal Regulations and is acceptable to the Authority.
7. The Recipient shall conduct a financial audit in accordance with OMB Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions." Upon completion of the Audit, the Recipient shall provide a copy to the Authority.
8. The Recipient shall provide income information and certifications for each successful and unsuccessful applicant in the program.

#### **M. ENFORCEMENT OF THE AGREEMENT**

1. This contract may be suspended or terminated if the Recipient materially fails to comply with any term or condition of this contract. This contract may also be terminated for convenience in accordance with 24 CFR 85.44. Actions related to the enforcement of this agreement are subject to the provisions contained in Part II - Terms and Conditions.
2. The Department of Housing and Urban Development may, under the Code of Federal Regulations, 24 CFR 24, impose sanctions or other corrective actions upon the City for its failure or the failure of designated subrecipients and Community Housing Development Organizations to carry out the HOME Program in accordance with applicable laws and regulations. Consequently, the Authority, the City of Newport News, HUD, or their designees shall periodically review each project to determine whether the Recipient:
  - a. Has carried out the services provided hereunder as described in the HOME Application and Contract; and
  - b. Has complied with the requirements of the Housing and Urban Development legislation and other applicable laws and regulations; and
  - c. Has a continuing capacity to carry out those services covered in this contract in a timely manner.

After such review, the Authority, the City of Newport News, HUD, or their designees will determine whether sanctions and other corrective or remedial actions as described in 24 CFR 24 are appropriate. When such corrective or remedial actions are appropriate and such actions are not taken by the Recipient within the time and in a manner outlined in a "notification of noncompliance", all or part of a requisition for payment may be withheld pending corrective actions or contract renegotiation or revocation as outlined in 24 CFR 24.

3. The provisions of this contract or any parts thereof may be enforced by means of recorded deed restrictions, this document, and recorded deed of trust. In the event the Recipient defaults under any term of this contract, the note, or deed of trust, then all funds owed under the note shall become due and payable, including all accrued interest. In addition, the Recipient shall be liable for all cost incurred by the Authority, including reasonable attorney fees.

#### **N. DURATION OF THE AGREEMENT**

1. The duration of this agreement shall correspond with the affordability period specified in B-1.
2. The Recipient will initiate housing acquisition and/or rehabilitation activities within six months of the date of this agreement and complete the activities within two years of the date of this agreement. Such activities shall be undertaken and completed in such sequence as to assure their expeditious completion in light of the purpose of the contract. In any event, all the services specified hereunder shall be completed within two years of the date of this agreement unless terminated or extended by the Authority.
3. In the event that the project is not completed in the timeframe specified in this section, the Authority reserves the right to terminate the contract and reallocate the CHDO Set-Aside funds.

#### **O. ELIGIBLE COSTS**

CHDO Project Set-Aside Funds provided to the Recipient under this agreement may be used to pay only those costs determined by the Authority to be eligible under the HOME Program and consistent with the terms of this agreement.

#### **P. TERMINATION AND SUSPENSION**

1. If through any cause, the Recipient fails to comply with the terms, conditions or requirements of the Agreement documents, the Authority may terminate or suspend this Agreement by giving written notice of the same and specifying the effective date of termination or suspension at least five (5) days prior to such action.
2. In the case of Agreement violations by the Recipient and/or termination of the project before completion, the Authority will request that all HOME funds be returned even if the Recipient has expended the Funds. The request will be made in writing. The Recipient agrees to return such Funds as requested by the Authority within 30 days of receipt of the written request.
3. Actions relating to the termination or suspension of a Recipient's contract are subject to the provisions contained in Part II - Terms and Conditions.



**Q. SUBSEQUENT CONTRACTS**

1. The Recipient shall remain fully obligated under the provisions of the Agreement documents notwithstanding its designation of any subsequent or third parties for the undertaking of all or part of the activities for which the Funds are being provided to the Recipient.
2. Any Contractor or Subcontractor which is not the Recipient shall comply with all the lawful requirements of the Recipient necessary to insure that the project for which assistance is being provided under this Agreement is carried out in accordance with the Recipient's Assurance and Certifications.
3. The Recipient shall remain fully obligated for the period of affordability specified in this contract in the event of sale of the HOME-assisted property to a subsequent purchaser. In the case of rental projects, the subsequent purchaser shall either abide by this agreement in its entirety for the remainder of the affordability period or refund the entire amount of HOME funds invested by the Authority to the Authority within 30 days of property transfer in accordance with the affordability requirements specified in 24 CFR 92.
4. Actions relating to the development and approval of subsequent contracts are subject to the provisions contained in Part II - Terms and Conditions.
5. Future requests for CHDO Set-Aside funds will not be awarded if the Recipient has more than two (2) uncompleted contracts, or has funds committed to more than three (3) units of housing that have not been completed.

**R. CONFLICT OF INTEREST**

1. Recipient will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
2. Recipient shall ensure no owner, developer, or sponsor (or their officers, employees, agents or consultants) of a project assisted with funds provided through this contract shall occupy a HOME-assisted affordable housing unit in the project. Employees of the Recipient are prohibited from participating in the agency's homeownership or rental program if HOME assistance is provided to the housing unit. The Authority may consider exceptions to this requirement on a case-by-case basis. In granting an exception, the following considerations will be important:
  - a) Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted housing, and the exception will permit such person to receive



generally the same interests or benefits as are being made available or provided to the group or class; and

- b) Whether the person has withdrawn from the functions, responsibilities or decision-making process with respect to the specific assisted housing in question.
3. This Contract is also governed by the Conflict Provisions contained in Part II - Terms and Conditions.

#### **S. LOBBYING**

The Recipient certifies, to the best of its knowledge and belief, that:

- A. No federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and
- B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

#### **T. AMENDMENTS**

This contract may be amended from time to time by the Authority and the Recipient, at the request of the Authority, and shall be subject to renegotiation if such amendment results in a change in the scope of services or compensation and method of payment.

#### **U. APPLICABLE LAWS**

This Contract shall be governed in all respects by the laws of the United States and the Commonwealth of Virginia.

#### **V. LIABILITY**

It is agreed and understood that the Recipient shall protect, defend and save harmless the City of Newport News, the Newport News Redevelopment and

Housing Authority, or their designees from and against any and all losses or claim for physical damage to property, bodily injury, or death to any person or persons, or any claim of whatever nature, which may be occasioned by the Recipient.

**W. INSURANCE REQUIREMENTS**

Evidence of the following insurance coverage in an amount and in a form agreeable to the Authority must be presented by the Recipient to NNRHA prior to the disbursement of any HOME funds:

1. Organization Liability Insurance.
2. Hazard Insurance on properties to be acquired, constructed or rehabilitated with HOME funds.
3. Workers' Compensation Coverage.
4. Flood Insurance, as applicable.
5. Other insurance or bonding as may be required by Federal, state, or local law.

**X. OTHER PROVISIONS**

1. This Contract consists of this Basic agreement (Part I) and Terms and Conditions (Part II).
2. The Recipient hereby agrees to comply with all of the terms and conditions of this Agreement, the Application, and the Rules and Guidelines of the HOME Program (24 CFR 92) in its implementation of the Program Activities.
3. The Authority reserves the right to modify, amend, or terminate this Agreement any time during the term of this agreement due to the failure of the Recipient to comply with the terms and conditions of this Agreement and other Documents set forth herein.
4. The Recipient designates its President as responsible for coordination of all activities required of designated Habitat for Humanity Peninsula and Greater Williamsburg, Inc. through this agreement.

**SIGNATURE PAGE TO FOLLOW**

NEWPORT NEWS REDEVELOPMENT  
AND HOUSING AUTHORITY

By \_\_\_\_\_  
Karen R. Wilds  
Executive Director

ATTEST:

\_\_\_\_\_

HABITAT FOR HUMANITY  
PENINSULA AND GREATER  
WILLIAMSBURG, INCORPORATED

By \_\_\_\_\_  
Janet V. Green  
Executive Director

ATTEST:

\_\_\_\_\_



**COMMUNITY HOUSING DEVELOPMENT ORGANIZATION  
GRANT CONTRACT/PROGRAM AGREEMENT**

**PART II - TERMS AND CONDITIONS**

1. Termination of Contract for Cause. If, through any cause, the Recipient shall fail to fulfill in a timely and proper manner its obligations under this Contract, or if the Recipient shall violate any of the covenants, agreements, terms, conditions or stipulations of this Contract, the AUTHORITY shall thereupon have the right to terminate this Contract by giving written notice to the Recipient of such termination and specifying the effective date thereof. In such event, all finished or unfinished documents, data, studies, and reports prepared by the Recipient under this Contract shall, at the option of the AUTHORITY, become its property and the Recipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents.

Notwithstanding the above, the Recipient shall not be relieved of liability to the Authority for damages sustained by the Authority by virtue of any breach of the Contract by the Recipient, and the AUTHORITY may withhold any payments to the Recipient for the purpose of setoff until such time as the exact amount of damages due the AUTHORITY from the Recipient is determined.

2. Termination for Convenience of Authority. The AUTHORITY may terminate this Contract at any time by a notice in writing from the Authority to the Recipient. If the Contract is terminated by the AUTHORITY as provided herein, the Recipient will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Recipient covered by this Contract, less payments of compensation previously made; provided, however, that if less than sixty percent (60%) of the services covered by this Contract have been performed upon the effective date of such termination, the Recipient shall be reimbursed (in addition to the above payment) for that portion of the actual out-of-pocket expenses (not otherwise reimbursed under this contract) incurred by the Recipient during the Contract period which are directly attributable to the uncompleted portion of the services covered by this Contract. If this Contract is terminated due to the fault of the Recipient, Section 1 hereof relative to termination shall apply.
3. Extension of Time. If, through any cause, the Recipient anticipates an extension of the date for completion, he shall give written notice to the AUTHORITY explaining the cause of delay. Upon acceptance of the explanation by the Authority, an extension may be granted.
4. Changes. The AUTHORITY may, from time to time, request changes in the scope of the services of the Recipient to be performed hereunder. Such changes, including any increase or decrease in the amount of the Recipient's compensation, which are mutually agreed upon by and between the AUTHORITY and the Recipient, shall be incorporated in written amendments to this Contract.

5. Personnel.

- a. The Recipient represents that it has, or will secure at its own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the AUTHORITY.
- b. All the services required hereunder will be performed by the Recipient or under his supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services.
- c. No person who is serving sentence in a penal or correctional institution shall be employed on work under this Contract.

6. Equal Employment Opportunity. During the performance of this Contract, the Recipient agrees as follows:

- a. The Recipient will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Recipient will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: Employment upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Recipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- b. The Recipient will, in all solicitations or advertisements for employees placed by or on behalf of the Recipient, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or natural origin.
- c. The Recipient will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Contract Compliance Officer advising the said labor union or worker's representatives of the Recipient's commitment under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- d. The Recipient will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.



- e. The Recipient will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the Department of Housing and Urban Development, the Secretary of Labor and the Authority for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- f. In the event of the Recipient's noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Recipient may be declared ineligible for further government contracts or federally assisted construction contract procedures authorized in Executive Order of 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.
- g. The Recipient will include the portion of the sentence immediately preceding paragraph "a" and the provisions of paragraphs "a" through "g" in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Recipient will take such action with respect to any subcontract or purchase order as the Department of Housing and Urban Development may direct as a means of enforcing such provisions, including sanctions for noncompliance, provided, however, that in the event a Recipient becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Department of Housing and Urban Development, the Recipient may request the United States to enter into such litigation to protect the interest of the United States.

7. Employment Opportunities.

- a. The work to be performed under this Contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
- b. The parties to the Contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued there under prior to the execution of this Contract. The parties to this Contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.



- c. The Recipient will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any a notice advising the said labor organization or workers' representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- d. The Recipient will include this, Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of the regulations issued by the Secretary of Housing and Urban Development, 24 CFR 135.

The Recipient will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135, and will not let any subcontractor unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

- e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders of the U.S. Department of Housing and Urban Development issued there under prior to the execution of the Contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which Federal assistance is provided, and to such sanctions as are specified by 24 CFR 135.
- 8. Withholding of Salaries. If, in the performance of this Contract, there is any underpayment of salaries by the Recipient or by any subcontractor there under, the Authority may withhold from the Recipient out of payments due to him an amount sufficient to pay to employees underpaid the difference between the salaries required hereby to be paid and the salaries actually paid such employees for the total number of hours worked. The amounts withheld shall be disbursed by the Authority for or on account of the Recipient or subcontractor to the respective employees to whom they are due.
  - 9. Claims and Disputes Pertaining to Salary Rates. Claims and disputes pertaining to salary rates or to classifications of employees performing work under this Contract shall be promptly reported in writing by the Recipient to the Authority for the latter's decision which shall be final with respect thereto.
  - 10. Discrimination Because of Certain Labor Matters. No persons employed on the work covered by this Contract shall be discharged or in any way discriminated

against because he has filed any complaint or instituted or caused to be instituted any proceedings or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his employee.

11. Compliance with Local Laws. The Recipient shall comply with all applicable laws, ordinances, and codes of the State and local governments, and shall commit no trespass on any public or private property in performing any of the work embraced by this Contract.
12. Subcontracting. The Recipient shall be as fully responsible to the Authority for the acts and omissions of his subcontractors, and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by him. The Recipient shall insert in each subcontract appropriate provisions requiring compliance with the labor standards provisions of this Contract.
13. Assignability. The Recipient shall not assign any interest in this Contract, and shall not transfer any interest in this contract (whether by assignment or novation) without the prior written approval of the Authority, provided, however, that claims for money due or to become due the Recipient from the Authority under this Contract may be assigned to a bank, trust company, or other financial institution or to a Trustee in Bankruptcy, without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Authority in writing.
14. Interest of Members of Authority. No member of the governing body of the Authority, and no other office, employee, or agent of the Authority who exercises any function or responsibilities in connection with the carrying out of the Project to which this Contract pertains, shall have any personal interest, direct or indirect, in this Contract.
15. Interest of Other Local Public Officials. No member of the governing body of the locality in which the Project Area is situated, and no other public official of such locality, who exercises any functions or responsibilities in the review or approval of the carrying out of the Project to which this Contract pertains, shall have any personal interest, direct or indirect in the Contract.
16. Interest of Certain Federal Officials. No member of or Delegate to the Congress of the United States, and no Resident Commissioners, shall be admitted to any share or part of this Contract or to any benefit to arise here from.
17. Interest of Recipient. The Recipient covenants that he presently has no interest and shall not acquire any interest, direct or indirect, in the above-described Project Area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The Recipient further covenants that in the performance of this Contract no person having any such interest shall be employed.
18. Findings Confidential. All of the reports, information, data, etc., prepared or assembled by the Recipient under this Contract are confidential and the Recipient



agrees that they shall not be made available to any individual or organization without the prior written approval of the Authority.

19. Flood Disaster Protection. This Agreement is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234). No portions of the assistance provided under this Agreement is approved for acquisition or construction purposes as defined under Section 3(a) of said Act, for use in an area identified by the Secretary of Housing and Urban Development as having special flood hazards which is located in a part of the City not then in compliance with the requirements for participation in the national flood insurance program pursuant to Section 201(d) of said Act; and the use of any assistance provided under this Agreement for such acquisition or construction in such identified areas in the City then participating in the national flood insurance program shall be subject to the mandatory purchase of flood insurance requirements of Section 102 (a) of said Act.
20. Lead-based Paint Hazard. Any construction or rehabilitation of residential structures under this Contract is subject to the HUD Lead-based Paint regulations, 24 CFR Part 35, and the City's Code, Chapter 10, Article III-A, Sections 10-33 to 10-34.4, said provisions being for the elimination of lead-based paint hazards under sub-part B of 24 CFR Part 35 regulations. The City shall be responsible for the inspections and certifications required under Section 35.14(£) of 24 CFR Part 35.
21. Compliance with Air and Water Acts. This Contract is subject to the requirements of the Clean Air Act, as amended, 42 U.S.C. 1857, et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 25, as amended from time to time, and the following requirements:
  - a. The Recipient stipulates that any facility to be utilized in the performance of this Contract is not listed on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR 15.20.
  - b. The Recipient agrees to comply with all the requirements of Section 114 of the Clean Air Act, as amended, 42 U.S.C. 1857c-8, and Section 308 of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1318, relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued there under.
  - c. As a condition for the award of the Contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized or to be utilized for the Contract is under consideration to be listed on the EPA list of Violating Facilities.
  - d. The Recipient agrees that it will include or cause to be included the criteria and requirements in paragraph "a" through "d" of this section in every nonexempt subcontract and the Recipient will take such action as the Government may direct as a means of enforcing such provisions.



22. Federal Labor Standard Provisions. Except with respect to the rehabilitation or development of residential property consisting of less than twelve (12) units, all Recipients engaged under contracts in excess of Two Thousand Dollars (\$2,000) for the construction, prosecution, completion or repair of any building or work financed in whole or in part with assistance provided under this Contract shall comply with HUD requirements pertaining to such contracts and the applicable requirements of the regulations of the Department of Labor under 29 CFR Parts 3, 5 and 5a, governing the payment of wages and the ratio of apprentices and trainees to journeymen, provided, that if wage rates higher than those required under such regulations are imposed by State or local law, nothing hereunder is intended to relieve the Grantee of its obligation, if any, to require payment of the higher rates. The Grantee shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of 29 CFR 5.5 and, for such contracts in excess of Ten Thousand Dollars (\$10,000), 29 CFR 5a.3.
23. Davis-Bacon Act and Related Labor Standards. In any contract for construction or rehabilitation of affordable housing using HOME funds to assist 12 or more housing units, all laborers and mechanics employed by Contractors or subcontractors on the project shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-5), and shall receive overtime compensation in accordance with and subject to the provisions of the Contract Work Hours and Safety Standard Act (40 U.S.C. 327-332), and the Contractors and subcontractors shall comply with all regulations issued pursuant to these Acts and with other applicable Federal laws and regulations pertaining to labor standards.
24. Architectural Barriers Act of 1968. The Architectural Barriers Act of 1968, 42 U. S.C. 4151 is applicable to this Contract and requires that the design of any facility constructed with funds from this title comply with "American Standard Specification for Making Buildings and Facilities Accessible, and Usable by, the Physically Handicapped," Number A-117.1-1961, as modified (41 CFR 101-17.703).
25. Hatch Act. Neither the Community Program nor the funds provided therefore, nor the personnel employed in the administration of the program shall be in any way or to any extent engaged in the conduct of political activities to contravention of Chapter 15 of Title 5, United States Code.
26. Relocation and Acquisition. Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (40 U.S.C. 4601), hereafter referred to as the Uniform Act, and the regulations at 24 CFR Part 42 are applicable to all displacement of persons, business, nonprofit organizations, and farms occurring as a direct result of any acquisition of real property assisted under this Part. Title III of the Uniform Act and the regulations at 24 CFR Part 42 are applicable to all acquisition of real property assisted under this Part.
27. Environment. In order to assure that the policies of the National Environmental Policy Act of 1969 are most effectively implemented in connection with the

expenditure of funds under this contract the recipient shall comply with HUD Environmental Review Procedures (24 CFR Part 58) leading to certification for the release of funds for particular projects. These procedures set forth the regulations, policies, responsibilities and procedures governing the carrying out of environmental review responsibilities of recipients.

28. Historic Preservation. Recipient must take into account the effect of a project on any district, site, building, structure or object listed on or nominated for listing on the National Register of Historic Places, maintained by the National Park Service of the U.S. Department of the Interior. Recipients should make every effort to eliminate or minimize any adverse effect on a historic property. Activities affecting such properties will be subject to requirements set forth in Section 570,604(b). Recipients must meet the historic preservation requirements of P.L. 89-665 and the Archeological and Historic Preservation Act of 1974, Pub. L. 93-291 and Executive Order 11593, including the procedures prescribed by the Advisory Council on Historic Preservation in 36 CFR Part 300.

29. Project Requirements for The HOME Program

The Recipient will abide by the following provisions as applicable to the project undertaken:

- a. Maximum per unit subsidy amount  
The amount of HOME funds invested on a per unit basis in affordable housing will not exceed the limits published by HUD in accordance with 24 CFR 92.250.
- b. Tenant and participant protections  
Owners of rental housing assisted with HOME funds will abide by the tenant and Recipient protections contained in 24 CFR 92.253.
- c. Mixed-income project  
Housing that accounts for less than 100 per cent of the dwelling units in a project will qualify as affordable housing if the housing meets the criteria of homeowner or rental housing as specified in 24 CFR 92.252 or 92.254.
- d. Mixed-use project  
Housing in a project that is designed in part for uses other than residential use will qualify as affordable housing if such housing meets the criteria of homeowner or rental housing as specified in 24 CFR 92.252 or 92.254.



e. Accessibility requirements

Where applicable, HOME-assisted housing will meet the accessibility requirements referenced in 24 CFR 5.105(a) which implement the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973.

f. Match

Provide a matching contribution of not less than 25 percent of the CHDO Set-Aside funds in accordance with 24 CFR 92.218.

g. Recapture

If a home purchased with HOME assistance is sold during the period of affordability, recapture provisions apply consistent with the standards in 24 CFR 92.254

30. Other Federal Requirements for the HOME Program

The Recipient will abide by the following federal laws and regulations:

- a. Fair Housing Act (42 USC 3601-20) and implementing regulations at 24 CFR 100.
- b. Executive Order 11063, as amended by Executive Order 12259 (Equal Opportunity in Housing) and implementing regulations at 24 CFR 107.
- c. Title VI of the Civil Rights Act of 1964 (Nondiscrimination in Federally Assisted Programs) and implementing regulations issued at 24 CFR 1.
- d. Age Discrimination Act of 1975.
- e. Rehabilitation Act of 1973, Section 504 (prohibitions against discrimination against handicapped individuals) and implementing regulations issued at 41 CFR 8.
- f. Executive Orders 11625 and 12432 (concerning Minority Business Enterprise), and 12138 (concerning Women's Business Enterprise).
- g. Debarment, Suspension, and Limited Denial of Participation: Contractors and Participants (24 CFR 24).

31. Commitment to a Drug-Free Workplace

In accordance with the requirements of the HOME program, the Recipient will provide a drug-free workplace by:



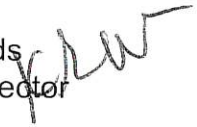
- A. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- B. Establishing an ongoing drug-free awareness program to inform employees about:
  - (1) The dangers of drug abuse in the workplace;
  - (2) The participating jurisdiction's policy of maintaining a drug-free workplace;
  - (3) Any available drug counseling, rehabilitation, and employee assistance program; and
  - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- C. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (A);
- D. Notifying the employee in the statement required by paragraph A that, as a condition of employment under the grant, the employee will --
  - (1) Abide by the terms of the statement; and
  - (2) Notify the employee in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- E. Notifying the agency in writing, within ten calendar days after receiving notice under paragraph D(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- F. Taking one of the following actions, within 30 calendar days of receiving notice under paragraph D(2), with respect to any employee who is so convicted--
  - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

- (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- G. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs A-F.

**NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY****MEMORANDUM**

**DATE:** May 21, 2024

**TO:** Newport News Redevelopment and Housing Authority  
Board of Commissioners

**FROM:** Karen R. Wilds   
Executive Director

**SUBJECT:** Organizational Meeting and Approval of Operating Agreement for GO Senior Living, LLC

In February the NNRHA Board of Directors took the necessary action to form the GO Senior Living, LLC. This successor limited partner needed to be created to replace the current investor partners in the Great Oaks Apartments LLC.

As required by Title 36 of the Commonwealth of Virginia, the Newport News City Council was requested to consent to the formation of the GO Senior Living, LLC. That action was taken by the City Council at their April 23, 2024 meeting. Mr. Suttle has prepared the attached Operating Agreement for GO Senior Living LLC. It addresses organizational matters to include membership, meetings, management, liability and accounting and tax matters.

NNRHA will be the member of the GO Senior Living, LLC. Which will own 99.99% of the Great Oaks Apartments, LLC

I recommend adoption of the attached resolution which approves the Operating Agreement and the appointment of the NNRHA Executive Director as President of the LLC.



## RESOLUTION

### **A RESOLUTION OF THE BOARD OF COMMISSIONERS OF NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY, ADOPTING THE OPERATING AGREEMENT OF G O SENIOR LIVING LLC.**

WHEREAS, the Board of Commissioners for the Newport News Redevelopment and Housing Authority (the "Authority") previously adopted a Resolution forming G O Senior Living LLC; and

WHEREAS, City Council for the City of Newport News approved the formation of G O Senior Living LLC ; and

WHEREAS, the purpose of G O Senior Living LLC is to hold the investment membership interests of Great Oakes Apartments, L.L.C.; and

WHEREAS, the Authority is the sole member of G O Senior Living LLC; and

WHEREAS, it is appropriate for the member of G O Senior Living LLC to adopt an operating agreement;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners as the sole member of G O Senior Living LLC adopt the attached operating agreement.

AND IT FURTHER BE RESOLVED that the Board appoint, as set forth in the operating agreement the Executive Director of the Authority as president of G O Senior Living LLC.

Adopted is 21<sup>st</sup> day of May, 2024.

---

Chair

Attest:

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Security / Treasurer

# OPERATING AGREEMENT

This Operating Agreement (this “**Agreement**”) of G O Senior Living LLC, a Virginia limited liability company (the “**Company**”), is entered into as of April 26, 2024 by and among the Company, \_\_\_\_\_, and any other Person who, after the date hereof, becomes a Member in accordance with the terms of this Agreement (collectively, the “**Members**”). Unless otherwise noted or defined elsewhere in this Agreement, capitalized terms used in this Agreement have the meanings ascribed herein, as more fully set forth in ARTICLE X.

## ARTICLE I Organizational Matters

**Section 1.01 Name.** The name of the Company is G O Senior Living LLC.

**Section 1.02 Principal Office.** The principal office of the Company is located at 227 27<sup>th</sup> Street, Newport News, VA 23607, or such other location as may from time to time be determined by the Board of Managers. The Board of Managers shall give prompt notice of any such change to each of the Members.

**Section 1.03 Registered Office; Registered Agent.** The registered office of the Company and the registered agent for service of process on the Company in the Commonwealth of Virginia shall be that office and Person named in the Articles of Organization or such other office (which need not be a place of business of the Company) or such other Person or Persons as the Board of Managers may designate from time to time in the manner provided by the Virginia Act and Applicable Law.

### **Section 1.04 Purpose; Powers.**

(a) The purpose of the Company is to invest in Great Oak Apartments, LLC, the owner of a multifamily apartment project located at 1 Great Oak Circle, Newport News, Virginia commonly known as Great Oak Apartments and to engage in any lawful act or activity for which limited liability companies may be formed under the Virginia Act and to engage in any and all lawful activities necessary or incidental thereto.

(b) The Company shall have all the powers necessary or convenient to carry out the purposes for which it is formed, including the powers granted by the Virginia Act.

**Section 1.05 Term.** The term of the Company commenced on the date and time the Articles of Organization were filed with the State Corporation Commission for the Commonwealth of Virginia and shall continue in existence perpetually or until any earlier date when the Company is terminated in accordance with the provisions of this Agreement or as provided by Applicable Law.

## ARTICLE II Members



**Section 2.01 Members.** The names, mailing addresses, and Membership Interests of the Members are set out in Schedule I attached hereto (the “**Members Schedule**”). The Board of Managers shall maintain and update the Members Schedule upon the issuance or Transfer of any Membership Interests to any new or existing Member in accordance with this Agreement.

**Section 2.02 Capital Contributions; Capital Accounts; No Withdrawals.**

(a) The Members have contributed to the Company the amounts, in the form of cash, property, services, or a promissory note or other obligation (as such amounts may be amended herein from time to time, the “**Capital Contributions**”) set out in the Members Schedule. No Member is required to make additional Capital Contributions to the Company.

(b) The Company shall establish and maintain for each Member a separate capital account (a “**Capital Account**”) on its books and records in accordance with the provisions of Section 704(b) of the Code and Treasury Regulations Section 1.704-1(b)(2)(iv). Each Capital Account shall be (i) credited by such Member’s Capital Contributions to the Company and any profits allocated to such Member in accordance with Section 4.01 and (ii) debited by any distributions to such Member pursuant to Section 5.01(a) and any losses allocated to such Member in accordance with Section 4.01. For purposes of maintaining the Members’ Capital Accounts, profits and losses shall be determined in accordance with Treasury Regulation Section 1.704-1(b). The Capital Accounts shall be adjusted by the Board of Managers upon the occurrence of an event described in Treasury Regulations Section 1.704-1(b)(2)(iv)(f)(5) in the manner described in Treasury Regulations Section 1.704-1(b)(2)(iv)(f)(5) and (g) if the Board of Managers determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members. In the event of a Transfer of any Membership Interest in accordance with the terms of this Agreement, the Transferee shall succeed to the Capital Account of the Transferor to the extent it relates to the transferred Membership Interest.

(c) No Member shall be entitled to withdraw any part of its Capital Account or to receive any distribution from the Company, except as otherwise provided in this Agreement.

**Section 2.03 Admission of Additional Members.**

(a) Additional Members may be admitted from time to time in connection with (i) the issuance of Membership Interests by the Company, subject to compliance with the provisions of Section 3.02(b), or (ii) a Transfer of Membership Interests, subject to compliance with the provisions of ARTICLE VI, and in either case, following compliance with the provisions of Section 2.03(b).

(b) In order for any Person not already a Member of the Company to be admitted as a Member, whether pursuant to an issuance or a Transfer (including a Permitted Transfer) of Membership Interests, such Person shall have executed and delivered to the Company a statement agreeing to the terms of this Agreement. Upon the amendment of the Members Schedule by the Board of Managers and the satisfaction of any other applicable

conditions, including, if a condition, the receipt by the Company of payment for the issuance of the applicable Membership Interests, such Person shall be admitted as a Member, shall be a party hereto, shall be deemed listed as such on the books and records of the Company, and thereupon shall be issued his, her, or its Membership Interests. The Board of Managers shall also adjust the Capital Accounts of the Members as necessary in accordance with Section 2.02.

#### **Section 2.04 No Withdrawal; Death of Member.**

(a) So long as a Member continues to hold any Membership Interest, such Member shall not have the ability to withdraw as a Member prior to the dissolution and winding up of the Company and any such withdrawal or attempted withdrawal by a Member prior to the dissolution and winding up of the Company shall be null and void. As soon as any Member ceases to hold any Membership Interests, such Person shall no longer be a Member. A Member shall not cease to be a Member as a result of the bankruptcy of such Member or as a result of any other events specified in Section 13.1-1040.1 of the Virginia Act.

(b) The death of any Member shall not cause the dissolution of the Company. In such event, the Company and its business shall be continued by the remaining Member or Members and the Membership Interests owned by the deceased Member shall be automatically Transferred to such Member's executors, administrators, testamentary trustees, legatees, distributees or beneficiaries, as applicable, as Permitted Transferees; *provided*, that any such Permitted Transferee shall be admitted as a Member only upon compliance with the provisions of Section 2.03(b).

#### **Section 2.05 Certification of Membership Interests.**

(a) The Company may, but shall not be required to, issue certificates evidencing Membership Interests in the Company.

(b) If the Board of Managers shall issue certificates representing Membership Interests in accordance with Section 2.05(a), then in addition to any other legend required by Applicable Law, all certificates representing issued and outstanding Membership Interests shall bear a legend substantially in the following form:

THE MEMBERSHIP INTERESTS REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AN OPERATING AGREEMENT AMONG THE COMPANY AND ITS MEMBERS, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL EXECUTIVE OFFICE OF THE COMPANY. NO TRANSFER, SALE, ASSIGNMENT, GIFT, PLEDGE, ENCUMBRANCE, HYPOTHECATION, OR OTHER DISPOSITION OF THE MEMBERSHIP INTERESTS REPRESENTED BY THIS CERTIFICATE MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF SUCH OPERATING AGREEMENT.

THE MEMBERSHIP INTERESTS REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933,



AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS AND MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED, OR OTHERWISE DISPOSED EXCEPT PURSUANT TO (A) A REGISTRATION STATEMENT EFFECTIVE UNDER SUCH ACT AND LAWS, OR (B) AN EXEMPTION FROM REGISTRATION THEREUNDER.

**Section 2.06 Meetings.**

(a) Meetings of the Members may be called by (i) the Board of Managers or (ii) a Member or group of Members holding more than Sixty-Six and Two-Thirds Percent (66 2/3%) of the Membership Interests.

(b) Written notice stating the place, date, and time of the meeting and, in the case of a meeting of the Members not regularly scheduled, describing the purpose(s) for which the meeting is called, shall be delivered not fewer than ten (10) days and not more than thirty (30) days before the date of the meeting to each Member, by or at the direction of the Board of Managers or the Member(s) calling the meeting, as the case may be. The Members may hold meetings at the Company's principal office or at such other place, as the Board of Managers or the Member(s) calling the meeting may designate in the notice for such meeting.

(c) Any Member may participate in a meeting of the Members by means of conference telephone or other communications equipment by means of which all Persons participating in the meeting hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(d) On any matter that is to be voted on by the Members, a Member may vote in person or by proxy, and such proxy may be granted in writing, by means of Electronic Transmission, or as otherwise permitted by Applicable Law. Every proxy shall be revocable in the discretion of the Member executing it unless otherwise provided in such proxy; *provided*, that such right to revocation shall not invalidate or otherwise affect actions taken under such proxy prior to such revocation.

(e) The business to be conducted at such meeting need not be limited to the purpose(s) described in the notice and can include other business to be conducted by the Members; *provided*, that the Members shall have been notified of the meeting in accordance with Section 2.06(b). Attendance of a Member at any meeting shall constitute a waiver of notice of such meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(f) A quorum of any meeting of the Members shall require the presence, whether in person or by proxy, of the Members holding a majority of the Membership Interests. Subject to Section 2.07, no action may be taken by the Members unless the appropriate quorum is present at a meeting.

(g) Subject to Section 2.07, Section 3.02, Section 11.09, and any other provision of this Agreement or the Virginia Act requiring the vote, consent, or approval of

a different percentage of the Membership Interests, no action may be taken by the Members at any meeting at which a quorum is present without the affirmative vote of the Members holding a majority of the Membership Interests.

**Section 2.07 Action Without Meeting.** Notwithstanding the provisions of Section 2.06, any matter that is to be voted on, consented to, or approved by Members may be taken without a meeting, without prior notice, and without a vote if consented to, in writing or by Electronic Transmission, by a Member or Members holding not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which each Member entitled to vote on the action is present and votes/all Members entitled to vote on the matter. A record shall be maintained by the Board of Managers of each such action taken by written consent of a Member or Members.

### **ARTICLE III Management**

**Section 3.01 Management of the Company.** Subject to the provisions of Section 3.02 and except as otherwise provided by the Virginia Act, the business, property and affairs of the Company shall be managed by a Board of Managers. The Board of Managers shall be comprised of the members of Board of Commissioners of the Newport News Redevelopment & Housing Authority. The Company shall take no action unless approved by a majority vote of the Board of Managers. The actions of the Board of Managers taken in accordance with the provisions of this Agreement shall bind the Company. No other Member of the Company shall have any authority or right to act on behalf of or bind the Company, unless otherwise provided herein or unless specifically authorized by the Board of Managers pursuant to a duly adopted resolution expressly authorizing such action.

**Section 3.02 Actions Requiring Approval of Members.** Without the unanimous written approval of all Members, the Company shall not, and shall not enter into any commitment to:

(a) Amend, modify, or waive any provisions of the Articles of Organization or this Agreement; *provided* that the Board of Managers may, without the consent of the other Members, amend the Members Schedule following any new issuance, redemption, repurchase, or Transfer of Membership Interests in accordance with this Agreement.

(b) Issue additional Membership Interests, Equity Securities, or other securities or, except in connection with a Transfer of Membership Interests that complies with the applicable provisions of ARTICLE VI and Section 2.03(b), admit additional Members to the Company.

(c) Incur any indebtedness, pledge or grant Liens on any assets, or guarantee, assume, endorse, or otherwise become responsible for the obligations of any other Person, in each case in excess of One Hundred Thousand Dollars (\$100,000) in a single transaction or series of related transactions, or in excess of One Hundred Thousand Dollars (\$100,000) in the aggregate at any time outstanding.



(d) Make any loan or advance to, or a Capital Contribution or investment in, any Person, in excess of One Hundred Thousand Dollars (\$100,000) .

(e) Enter into or effect any transaction or series of related transactions involving the purchase, lease, license, exchange, or other acquisition (including by merger, consolidation, sale of stock, or acquisition of assets) by the Company of any assets and/or equity interests, other than in the ordinary course of business consistent with past practice.

(f) Enter into or effect any transaction or series of related transactions involving the sale, lease, license, exchange, or other disposition (including by merger, consolidation, sale of stock, or sale of assets) by the Company of any assets and/or equity interests, other than sales of inventory in the ordinary course of business consistent with past practice.

(g) Settle any lawsuit, action, dispute, or other proceeding or otherwise assume any liability with a value in excess of One Hundred Thousand Dollars (\$100,000) or agree to the provision of any equitable relief by the Company.

(h) Dissolve, wind up, or liquidate the Company or initiate a bankruptcy proceeding involving the Company.

**Section 3.03 Officers.** The Board of Managers may appoint one or more individuals as officers of the Company (the “**Officers**”) as the Board of Managers deems necessary or desirable to carry on the business of the Company and may delegate to such Officers such power and authority as the Board of Managers deems advisable. The Board of Managers may appoint a President to carry out the day to day activities of the Company. The Board of Managers appoints the Executive Director of the Newport News Redevelopment and Housing Authority as President. An Officer is not required to be a Member of the Company. Any individual may hold two or more offices of the Company. Each Officer shall hold office until their successor is designated by the Board of Managers or until their earlier death, resignation, or removal. Any Officer may resign at any time upon written notice to the Board of Managers. Any Officer may be removed by the Board of Managers at any time, with or without cause. A vacancy in any office occurring because of death, resignation, removal, or otherwise may, but need not, be filled by the Board of Managers.

## **ARTICLE IV**

### **Allocations**

#### **Section 4.01 Allocation of Profits and Losses.**

(a) The Company’s profits and losses for each Fiscal Year will be allocated among the Members pro rata in accordance with their Membership Interests.

(b) Notwithstanding any other provision of this Agreement, (i) “partner nonrecourse deductions” (as defined in Treasury Regulations Section 1.704-2(i)), if any, of the Company shall be allocated for each Fiscal Year to the Member that bears the economic risk of loss within the meaning of Treasury Regulations Section 1.704-2(i) and “nonrecourse deductions” (as defined in Treasury Regulations Section 1.704-2(b)) and “excess nonrecourse liabilities” (as defined in Treasury Regulations Section 1.752-3(a)), if

any, shall be allocated to and among the Members in accordance with their Membership Interests.

(c) This Agreement shall be deemed to include “qualified income offset,” “minimum gain chargeback,” and “partner nonrecourse debt minimum gain chargeback” provisions within the meaning of Treasury Regulations under Section 704(b) of the Code.

(d) All items of income, gain, loss, deduction, and credit of the Company shall be allocated among the Members for federal, state, and local income tax purposes consistent with the manner that the corresponding items are allocated among the Members pursuant to this section, except as may otherwise be provided herein or under the Code.

## **ARTICLE V Distributions**

### **Section 5.01 Distributions.**

(a) Distributions of available cash shall be made to the Members at the times and in the aggregate amounts determined by the Board of Managers. Such distributions shall be paid to the Members pro rata in accordance with their respective Membership Interests.

(b) Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any distribution to Members if such distribution would violate Section 13.1-1035 of the Virginia Act or other Applicable Law.

## **ARTICLE VI Transfers**

### **Section 6.01 General Restrictions on Transfer.**

(a) Except as permitted pursuant to **Error! Reference source not found.**, no Member shall Transfer all or any portion of its Membership Interest in the Company, except with the written consent of all Members. No Transfer of Membership Interests to a Person not already a Member of the Company shall be deemed completed until the prospective Transferee is admitted as a Member of the Company in accordance with Section 2.03 hereof.

(b) Notwithstanding any other provision of this Agreement (including **Error! Reference source not found.**), each Member agrees that it will not Transfer all or any portion of its Membership Interest in the Company, and the Company agrees that it shall not issue any Membership Interests:

(i) except as permitted under the Securities Act and other applicable federal or state securities or blue sky laws, and then, with respect to a Transfer of Membership Interests, only upon delivery to the Company of an opinion of counsel



in form and substance satisfactory to the Company to the effect that such Transfer may be effected without registration under the Securities Act;

(ii) if such Transfer or issuance would cause the Company to be considered a “publicly traded partnership” under Section 7704(b) of the Code within the meaning of Treasury Regulation Section 1.7704-1(h)(1)(ii), including the look-through rule in Treasury Regulation Section 1.7704-1(h)(3);

(iii) if such Transfer or issuance would affect the Company’s existence or qualification as a limited liability company under the Virginia Act;

(iv) if such Transfer or issuance would cause the Company to lose its status as a partnership for federal income tax purposes;

(v) if such Transfer or issuance would cause the Company to be required to register as an investment company under the Investment Company Act of 1940, as amended; or

(vi) if such Transfer or issuance would cause the assets of the Company to be deemed “Plan Assets” as defined under the Employee Retirement Income Security Act of 1974 or its accompanying regulations or result in any “prohibited transaction” thereunder involving the Company.

(c) Any Transfer or attempted Transfer of any Membership Interest in violation of this Agreement shall be null and void, no such Transfer shall be recorded on the Company’s books, and the purported Transferee in any such Transfer shall not be treated (and the purported Transferor shall continue be treated) as the owner of such Membership Interest for all purposes of this Agreement.

(d) Except as provided in Section 2.04(b), no Transfer (including a Permitted Transfer) of Membership Interests to a Person not already a Member of the Company shall be deemed completed until the prospective Transferee (including a Permitted Transferee) is admitted as a Member of the Company in accordance with Section 2.03(b) hereof.

(e) For the avoidance of doubt, any Transfer of a Membership Interest permitted by this Agreement shall be deemed a sale, transfer, assignment, or other disposal of such Membership Interest in its entirety as intended by the parties to such Transfer, and shall not be deemed a sale, transfer, assignment, or other disposal of any less than all of the rights and benefits described in the definition of the term “Membership Interest,” unless otherwise explicitly agreed to by the parties to such Transfer.

## **ARTICLE VII**

### **No Personal Liability and Indemnification**

#### **Section 7.01 No Personal Liability: Members; Manager.**



(a) Except as otherwise provided in the Virginia Act, by Applicable Law, or expressly in this Agreement, no Member will be obligated personally for any debt, obligation, or liability of the Company or other Members, whether arising in contract, tort, or otherwise, solely by reason of being a Member.

(b) Except as otherwise provided in the Virginia Act, by Applicable Law, or expressly in this Agreement, no Manager will be obligated personally for any debt, obligation, or liability of the Company, whether arising in contract, tort, or otherwise, solely by reason of being a Manager.

## **Section 7.02 Indemnification.**

(a) To the fullest extent permitted under the Virginia Act, any Covered Person (as defined in section (c) below) shall be entitled to indemnification and reimbursement of reasonable expenses from the Company for and against any loss, damage, claim, or expense (including reasonable attorneys' fees) (collectively, "**Losses**") whatsoever incurred by the Covered Person relating to or arising out of any act or omission or alleged acts or omissions (whether or not constituting negligence) performed or omitted by any Covered Person on behalf of the Company; *provided*, however, that (i) any indemnity under this Section 7.02 shall be provided out of and to the extent of the Company assets only, and neither any Member or any other Person shall have any personal liability to contribute to such indemnity by the Company; (ii) such Covered Person acted in good faith and in a manner believed by such Covered Person to be in, or not opposed to, the best interests of the Company and, with respect to any criminal proceeding, had no reasonable cause to believe his conduct was unlawful; and (iii) such Covered Person's conduct did not constitute fraud or willful misconduct, in either case as determined by a final, nonappealable order of a court of competent jurisdiction.

(b) Upon receipt by the Company of a written undertaking by or on behalf of the Covered Person to repay such amounts if it is finally judicially determined that the Covered Person is not entitled to indemnification under this Section 7.02, the Company shall advance, to the extent reasonably required, each Covered Person for reasonable legal or other expenses (as incurred) of such Covered Person in connection with investigating, preparing to defend, or defending any claim, lawsuit, or other proceeding relating to any Losses for which such Covered Person may be indemnified pursuant to this Section 7.02.

(c) For purposes of this Section 7.02, "**Covered Person**" means (i) each Member; (ii) each Manager and Officer of the Company; and (iii) each officer, director, shareholder, partner, manager, member, Affiliate, employee, agent, or representative of each Member and of each Manager.

## **ARTICLE VIII**

### **Accounting and Tax Matters**

**Section 8.01 Inspection Rights.** Upon reasonable notice from a Member, the Company shall afford the Member reasonable access during normal business hours to the corporate,

financial, and similar records, reports, and documents of the Company, and shall permit the Member to examine such documents and make copies thereof.

**Section 8.02 Income Tax Status.** It is the intent of this Company and the Members that this Company shall be treated as a partnership for US, federal, state, and local income tax purposes. Neither the Board of Managers nor any Member shall make an election for the Company to be classified as other than a partnership pursuant to Treasury Regulations Section 301.7701-3.

**Section 8.03 Tax Matters Representative.**

(a) Appointment; Resignation. The Members hereby appoint the President as the “partnership representative” as provided in Section 6223(a) of the Code (the “**Tax Matters Representative**”). The Tax Matters Representative can be removed at any time by a vote of the Board of Managers. In the event of the resignation or removal of the Tax Matters Representative, the Board of Managers shall appoint a new Tax Matters Representative.

(b) Tax Examinations and Audits. The Tax Matters Representative is authorized and required to represent the Company (at the Company’s expense) in connection with all examinations of the Company’s affairs by any federal, state, local, or foreign taxing authority, including resulting administrative and judicial proceedings, and to expend Company funds for professional services and costs associated therewith.

The Tax Matters Representative shall promptly notify the Board of Managers in writing of the commencement of any tax audit, upon receipt of a tax assessment or upon the receipt of a notice of final partnership adjustment, and shall keep the Board of Managers reasonably informed of the status of any tax audit and resulting administrative and judicial proceedings. Without the consent of the Board of Managers, the Tax Matters Representative shall not extend the statute of limitations, file a request for administrative adjustment, file suit relating to any Company tax refund or deficiency, or enter into any settlement agreement relating to items of income, gain, loss, or deduction of the Company with any federal, state, local, or foreign taxing authority.

(c) US Federal Tax Proceedings. To the extent permitted by applicable law and regulations, the Tax Matters Representative will cause the Company to annually elect out of the partnership audit procedures set forth in Subchapter C of Chapter 63 of the Code as amended by the Bipartisan Budget Act of 2015 (the “**Revised Partnership Audit Rules**”) pursuant to Section 6221(b) of the Code. For any year in which applicable law and regulations do not permit the Company to elect out of the Revised Partnership Audit Rules, then within forty-five (45) days of any notice of final partnership adjustment, the Tax Matters Representative will cause the Company to elect the alternative procedure under Section 6226 of the Code, and furnish to the Internal Revenue Service and each Member (including former Members) during the year or years to which the notice of final partnership adjustment relates a statement of the Member’s share of any adjustment set forth in the notice of final partnership adjustment.



(d) Section 754 Election. The Tax Matters Representative will make an election under Section 754 of the Code, if requested in writing by the Board of Managers.

(e) Indemnification. The Company shall defend, indemnify, and hold harmless the Tax Matters Representative against any and all liabilities sustained as a result of any act or decision concerning Company tax matters and within the scope of such Member's responsibilities as Tax Matters Representative, so long as such act or decision was done or made in good faith and does not constitute gross negligence or willful misconduct.

#### **Section 8.04 Tax Returns.**

(a) At the expense of the Company, the Board of Managers will cause the preparation and timely filing (including extensions) of all tax returns required to be filed by the Company pursuant to the Code as well as all other required tax returns in each jurisdiction in which the Company owns property or does business. As soon as reasonably possible after the end of each Fiscal Year, the Board of Managers will deliver to each Member, Company information necessary for the preparation of such Member's federal, state, and local income tax returns for such Fiscal Year.

(b) Each Member agrees that such Member shall not treat any Company item on such Member's federal, state, foreign, or other income tax return inconsistently with the treatment of the item on the Company's return.

### **ARTICLE IX Dissolution and Liquidation**

**Section 9.01 Events of Dissolution.** The Company shall be dissolved and its affairs wound up only upon the occurrence of any of the following events:

- (a) An election to dissolve the Company made by the Board of Managers;
- (b) The sale, exchange, involuntary conversion, or other disposition or Transfer of all or substantially all the assets of the Company; or
- (c) The entry of a decree of judicial dissolution under Section 13.1-1047 of the Virginia Act.

**Section 9.02 Effectiveness of Dissolution.** Dissolution of the Company shall be effective on the day on which the event described in Section 9.01 occurs, but the Company shall not terminate until the winding up of the Company has been completed, the assets of the Company have been distributed as provided in Section 9.03, and the Articles of Organization shall have been cancelled as provided in Section 9.04.

**Section 9.03 Liquidation.** If the Company is dissolved pursuant to Section 9.01, the Company shall be liquidated and its business and affairs wound up in accordance with the Virginia Act and the following provisions:

(a) The Board of Managers, or another Person selected by the Board of Managers, shall act as liquidator to wind up the Company (the “**Liquidator**”). The Liquidator shall have full power and authority to sell, assign, and encumber any or all of the Company’s assets and to wind up and liquidate the affairs of the Company in an orderly and business-like manner.

(b) As promptly as possible after dissolution and again after final liquidation, the Liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company’s assets, liabilities, and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable.

(c) The Liquidator shall liquidate the assets of the Company and distribute the proceeds of such liquidation in the following order of priority, unless otherwise required by mandatory provisions of Applicable Law:

(i) First, to the payment of the Company’s debts and liabilities to its creditors (including Members, if applicable) and the expenses of liquidation (including sales commissions incident to any sales of assets of the Company);

(ii) Second, to the establishment of and additions to reserves that are determined by the Board of Managers to be reasonably necessary for any contingent unforeseen liabilities or obligations of the Company; and

(iii) Third, to the Members, on a pro rata basis, in accordance with the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account adjustments for the taxable year of the Company during which the liquidation of the Company occurs.

**Section 9.04 Required Filings.** Upon completion of the winding up of the Company, the Liquidator shall make all necessary filings required by the Virginia Act.

## **ARTICLE X**

### **Definitions**

**Section 10.01 Definitions.** Capitalized terms used herein and not otherwise defined shall have the meanings set forth in this Section 10.01:

(a) “**Affiliate**” means, with respect to any Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person. For purposes of this definition, “**control**” when used with respect to any specified Person, shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities or partnership or other ownership interests, by contract, or otherwise; and the terms “**controlling**” and “**controlled**” shall have correlative meanings.



(b) **“Applicable Law”** means all applicable provisions of (i) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations, or orders of any Governmental Authority; (ii) any consents or approvals of any Governmental Authority; and (iii) any orders, decisions, advisory, or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority.

(c) **“Articles of Organization”** means the articles of organization filed with the State Corporation Commission for the Commonwealth of Virginia on April 26, 2024.

(d) **“Board of Managers”** means, the members of Board of Commissioners of the Newport News Redevelopment & Housing Authority, or such other Member as may be designated or become a Manager pursuant to the terms of this Agreement.

(e) **“Code”** means the Internal Revenue Code of 1986, as amended.

(f) **“Electronic Transmission”** means any form of communication not directly involving the physical transmission of paper, including the use of, or participation in, one or more electronic networks or databases (including one or more distributed electronic networks or databases), that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.

(g) **“Equity Securities”** means any and all Membership Interests of the Company and any securities of the Company convertible into, exchangeable for, or exercisable for, such Membership Interests, including any warrants or other rights to acquire such Membership Interests.

(h) **“Fiscal Year”** means the calendar year, unless the Company is required or elects to have a taxable year other than the calendar year, in which case Fiscal Year shall be the period that conforms to its taxable year.

(i) **“Governmental Authority”** means any federal, state, local, or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations, or orders of such organization or authority have the force of law), or any arbitrator, court, or tribunal of competent jurisdiction.

(j) **“Lien”** means any mortgage, pledge, security interest, option, right of first offer, encumbrance, or other restriction or limitation of any nature whatsoever.

(k) **“Marital Relationship”** means a civil union, domestic partnership, marriage, or any other similar relationship that is legally recognized in any jurisdiction.

(l) **“Membership Interest”** means an interest in the Company owned by a Member, including such Member’s rights to (i) receive a distributive share of Company assets and items of Company income, gain, loss, and deduction; (ii) vote, consent, or

participate in any Member decisions provided in this Agreement and the Virginia Act; and (iii) receive any and all other benefits due to a Member under this Agreement and the Virginia Act. The Membership Interest of each Member will be stated as a percentage interest in the same proportion as the total Capital Contributions of such Member bears to the total Capital Contributions of all Members.

(m) “**Person**” means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.

(n) “**Securities Act**” means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

(o) “**Transfer**” means to sell, transfer, assign, gift, pledge, encumber, hypothecate, or similarly dispose of, directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option, or other arrangement or understanding with respect to the sale, transfer, assignment, gift, pledge, encumbrance, hypothecation, or similar disposition of, any Membership Interests or any interest (including a beneficial interest) therein. “**Transfer**” when used as a noun shall have a correlative meaning.

(p) “**Transferor**” and “**Transferee**” mean a Person who makes or receives a Transfer, respectively.

(q) “**Virginia Act**” means the Virginia Limited Liability Company Act and any successor statute, as it may be amended from time to time.

## **ARTICLE XI**

### **Miscellaneous**

**Section 11.01 Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Virginia, without giving effect to any choice or conflict of law provision or rule (whether of the Commonwealth of Virginia or any jurisdiction).

**Section 11.02 Submission to Jurisdiction.** The parties hereby agree that any suit, action, or proceeding based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby, shall be brought in the federal courts of the United States of America or the courts of the Commonwealth of Virginia, in each case located in the City of Hampton. Each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action, or proceeding.

**Section 11.03 Waiver of Jury Trial.** EACH PARTY HERETO HEREBY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND



**UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.**

**Section 11.04 Waiver.** No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege. Nothing contained in this Section 11.04 shall diminish the waiver described in Section 11.03.

**Section 11.05 Notices.** All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given:

- (a) when delivered by hand;
- (b) when received by the addressee if sent by a nationally recognized overnight courier;
- (c) on the date sent by facsimile or email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or
- (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid.

Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 11.05):

**If to the Company:** 227 27th Street, Newport News, VA 23607  
Facsimile: [FAX NUMBER]  
Email: [EMAIL ADDRESS]  
Attention: Executive Director

with a copy to: Kaufman & Canoles, P.C.  
One City Center  
11815 Fountain Way, Suite 400  
Newport News, VA 23606  
Facsimile: (888) 360-9092  
Email: rhsuttle@kaufcan.com  
Attention: Raymond H. Suttle, Jr.

**If to the Board of Managers:** 227 27th Street, Newport News, VA 23607  
Facsimile: [FAX NUMBER]

Email: [EMAIL ADDRESS]  
Attention: Chair

with a copy to: Kaufman & Canoles, P.C.  
One City Center  
11815 Fountain Way, Suite 400  
Newport News, VA 23606  
Facsimile: (888) 360-9092  
Email: rhsuttle@kaufcan.com  
Attention: Raymond H. Suttle, Jr.

**If to a Member:** To the Member's respective mailing address as set forth on the Members Schedule.

**Section 11.06 Remedies.** In the event of any actual or prospective breach or default by any party, the other parties shall be entitled to equitable relief, including remedies in the nature of injunction and specific performance, awarded by a court of competent jurisdiction (without being required to post a bond or other security or to establish any actual damages). In this regard, the parties acknowledge and agree that they will be irreparably damaged in the event this Agreement is not specifically enforced, since (among other things) the Membership Interests are not readily marketable. All remedies hereunder are cumulative and not exclusive, may be exercised concurrently, and nothing herein shall be deemed to prohibit or limit any party from pursuing any other remedy or relief available at law or in equity for any actual or prospective breach or default, including recovery of damages. In addition, the parties hereby waive and renounce any defense to such equitable relief that an adequate remedy at law may exist.

**Section 11.07 Severability.** If any term or provision of this Agreement is held to be invalid, illegal, or unenforceable under Applicable Law in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

**Section 11.08 Successors and Assigns.** Subject to the restrictions on Transfers set forth herein, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and assigns.

**Section 11.09 Amendment.** No provision of this Agreement may be amended or modified except by an instrument in writing executed by the Board of Managers. Any such written amendment or modification will be binding upon the Company and each Member. Notwithstanding the foregoing, amendments to the Members Schedule may be made by the Board of Managers in accordance with Section 3.02(a).

**Section 11.10 Headings.** The headings in this Agreement are inserted for convenience or reference only and are in no way intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision of this Agreement.



**Section 11.11 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement.

**Section 11.12 Entire Agreement.** This Agreement, together with the Articles of Organization and all related Exhibits and Schedules, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

**Section 11.13 No Third-Party Beneficiaries.** Except as provided in ARTICLE VII, this Agreement is for the sole benefit of the parties hereto (and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns) and nothing herein, express or implied, is intended to or shall confer upon any other Person, including any creditor of the Company, any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**The Company:**

G O Senior Living LLC, a Virginia limited liability company

By: \_\_\_\_\_  
Karen R. Wilds, its President

**The Members:**

NEWPORT NEWS REDEVELOPMENT AND  
HOUSING AUTHORITY

By: \_\_\_\_\_  
Dr. Lisa Wallace-Davis, its Chair

## **SCHEDULE I**

### **MEMBERS SCHEDULE**

<b>Member Name, Address, Email, and Fax</b>	<b>Capital Contribution</b>	<b>Membership Interest</b>
Newport News Redevelopment And Housing Authority	-0-	100%





# REPORT TO THE BOARD

NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY

**May 2024**

The mission of the Newport News Redevelopment & Housing Authority (NNRHA) is to create affordable housing, viable neighborhoods, and opportunities for self-sufficiency that enhance the quality of life for all citizens of Newport News.

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## **BOARD OF COMMISSIONERS**

**Lisa Wallace-Davis – Chairperson**  
**Thaddeus Hollomon – Vice Chairman**

**William Black**  
**Kenneth Penrose, Jr.**  
**George Knight**  
**Lou Call**  
**Barbara Holley**  
**Raymond Suttle, Jr., Attorney**

## **STAFF**

**Karen R. Wilds, Executive Director**  
**Secretary-Treasurer**  
**Kayonia M. Betts, Assistant Secretary-Treasurer**

**Lysandra Shaw, Deputy Executive Director**  
**Valarie Ellis, Director of Administrative Services**  
**Tera Lockley, Director of Housing Operations**  
**Lisa Dessofoy, Director of Finance**  
**David Staley, Director of Community Development**



## COMMUNITY DEVELOPMENT

### Community Development Block Grant (CDBG)

The City and NNRHA successfully collaborated to ensure that CDBG expenditures met the HUD Timeliness standard by April 29, 2024.

### Sponsoring Partnerships & Revitalizing Communities (SPARC)

Virginia Housing awarded NNRHA with \$2 million in SPARC funding. The SPARC program allows those buyers utilizing a Virginia Housing loan product to buy down their interest rate by 1%. With the addition of SPARC funding, we are able to expand our reach and offer Down Payment Assistance to qualified buyers. The program year for SPARC funding began July 1, 2023 and ends June 30, 2024. SPARC allocations are approved on an annual basis. NNRHA was able to assist nine (9) households with Virginia Housing's allocation and has depleted the funds awarded for this program year.

<b>Total Housing Rehabilitation Activity for Fiscal Year July 1, 2023 – June 30, 2024</b>	
	Residential Repair Program
Projects Completed	20
Projects in Underwriting	14
Projects Pending Approval	1
Projects Ongoing	1
Projects Denied	17
<b>Total</b>	<b>53</b>

<b>New Housing Rehabilitation Applications for April 1, 2024 - March 31, 2024</b>	<b>Total New Housing Rehabilitation Applications Received for July 1, 2023 - June 30, 2024</b>
2	31

### **CHOICE NEIGHBORHOOD INITIATIVE (CNI)**

#### **Lift and Rise on Jefferson**

The Lift and Rise complex is currently operating at 96% occupancy across its two buildings, 2700 and 2800. In the 2700 building, there are three units available for lease. Two of these units are designated as affordable housing, while the third is a market-rate/unrestricted unit. Meanwhile, all residential units in the 2800 building are fully occupied.

### **Legacy Landing -Former Ridley Place Site- (12th-18th Street between Jefferson and Ivy Ave)**

#### **There are two phases of work - III-Rand IV-R**

Construction activities have continued to proceed smoothly for both phases of the project throughout the reporting period.

#### **CNI III-R phase - Construction is approximately 89% completed**

Phase III-R construction is nearing completion and is anticipated to be finished by late June 2024. NNRHA and Pennrose have convened a meeting to strategize marketing and lease-up initiatives for the onsite housing.



The construction phase of the project is currently at approximately 89% completion, with progress evident across multiple fronts. Interior finishes are underway, encompassing tasks such as cabinet installation, tiling, drop ceiling installation, and painting. Mock-up units (proposed construction, built in order to evaluate proposed design and construction details) are also in progress and are expected to be finished by the end of next week, with the exception of power connection completion.

#### **CNI IV-R - Construction is approximately 62% completed**

The construction project is currently at approximately 62% completion. Pad work for Building D has commenced following water diversion efforts, with proof-rolling initiated during the week of 4/25/24.

Buildings E, F, G, and H are undergoing fiber cement siding installation along with gypsum wallboard (GWB) work. Building J is in the process of MEP (mechanical, electrical, plumbing) rough-ins.

Additionally, Buildings J, K, L, M, and P are undergoing MEP rough-ins alongside brick veneer and siding installation.

The market rate/homeowner units planned to be situated alongside Ivy Avenue are currently in the pre-design phase. However, construction is not scheduled to commence until early 2025.

Infrastructure is approximately 83% construction completed.  
Wellness Trail 13% construction completed.

#### **Downtown Phase 28<sup>th</sup> and Washington**

During the critical pre-development phase, the Project Management team convened with the construction group to explore opportunities for their involvement in Phase 5 of the project. The architectural design team is working on various facets of building design, including contract design, optimizing building efficiency, and refining the exterior facade to meet both

aesthetic and functional requirements. Recognizing the importance of community engagement in the planning process, NNRHA and Pennrose will set up a virtual design charrette. This collaborative event will serve as a platform to actively involve citizens in shaping the project's trajectory.

#### **Urban Strategies, Inc.**

Based on USI monthly report for Marshall Ridley, March 28th – April 29th, 2024:

USI Inc. has currently assessed 200 families and continues to reach out to provide supportive services for families. In April, the Family Support Services (FSS) team facilitated 10 Youth Services linkages to offer mentorship and youth enrichment opportunities.

USI, in collaboration with Newport News Public School (NNPS), is working to reduce chronic absenteeism throughout the school systems. The district recently introduced an absenteeism reduction program, which has been integrated into the bi-weekly math and literacy nights.

Through the partnership with NNPS, USI have established service linkages to the House of Refuge, I Lab, and C. Waldo Scott Center for spring enrichment camps. These camps offered out-of-school learning opportunities for youth while ensuring they receive balanced meals for their well-being.

### **PUBLIC AND ASSISTED HOUSING OCCUPANCY REPORT**

<b>Total Waiting List Applications</b>	
Public Housing	1485
Approved/Eligible	19
Pending	1466
Housing Choice Voucher	318
Approved/Eligible	87
Pending	231

The pending application numbers for the Public Housing Program (1466) and the Housing Choice Voucher Program (231) represent the total number of applications being processed



for eligibility for housing assistance. Some of these families will be determined ineligible based on income, landlord references or criminal activity. Therefore, these numbers will fluctuate each month.

<b>New Applicants Housed</b>	
Public Housing Program	7
Housing Choice Voucher	5
Mod-Rehab (SRO)	2
<b>Total</b>	<b>14</b>
<b>Occupancy Statistics:</b>	
Public Housing Program	96%
Housing Choice Voucher Program	95%
Mod-Rehab Program (Warwick SRO)	98%
Mod-Rehab (Warwick SRO)	86
Avg. # Leasing Days (PH)	23
Avg. Rent for Move-Ins (PH)	\$267
New Mod-Rehab (SRO) participants	\$169
Total Public Housing	799
Housing Choice Vouchers	2,936
Lease Rate – April 2024	95%

<b>Average Family Rent Contribution for Move-ins Last Month:</b>	
Public Housing	\$267
Housing Choice Voucher	\$169
Warwick SRO	\$146
Cumulative Percentage of Section 8 Budget Authority Utilized April 2024	97.9%

## **FAMILY INVESTMENT CENTER (FIC) ACTIVITIES**

### **EMPLOYED F.I.C. PARTICIPANTS**

**April 2024  
(since 1995)**

<b>Aqueduct</b>	<b>124</b>
<b>Ashe Manor</b>	<b>0</b>
<b>Brighton</b>	<b>46</b>
<b>Cypress Terrace</b>	<b>24</b>
<b>Lassiter Courts</b>	<b>95</b>
<b>Marshall Courts</b>	<b>184</b>
<b>Orcutt Homes</b>	<b>28</b>
<b>Orcutt Townhomes</b>	<b>10</b>
<b>Oyster Point</b>	<b>23</b>
<b>Ridley Circle</b>	<b>383</b>
<b>Housing Choice Voucher</b>	<b>72</b>
<b>Sprately House</b>	<b>2</b>
<b>Pinecroft</b>	<b>7</b>
<b>Total</b>	<b>998</b>

### **HOMEOWNERSHIP PROGRAM**

**196** Housing Choice Voucher and Public Housing clients have completed their goal of homeownership as follows:

<b>FSS</b>		
Housing Choice Voucher Families-FSS	69	\$6,675,318
Public Housing Families/FSS	56	\$5,852,540
HCV-V Homeownership	71	\$11,909,922
<b>Total</b>	<b>196</b>	<b>\$24,443,780</b>



## COMMUNITY RESOURCES

### VAHCDO Spring Conference 2024

VAHCDO Spring Conference 2024 was themed "Healthy Housing/Strong Communities" and took place at the Marriott Virginia Beach Oceanfront from April 3rd to 5th. The conference commenced with a Top Golf team event to raise scholarship funds to help send deserving students to college. Sessions included topics on gang violence, updates on housing and legislation, mental health initiatives, and fair housing for maintenance and front-line staff—vendors engaged with the attendees, sharing information and new technology ideas. The keynote speaker, breakout sessions, and panel discussion provided a wealth of information and many ideas to utilize as we plan for upcoming events. Community Resources staff provided transportation to the event for our two public housing residents who received VAHCDO scholarships.



### Coffee With A Cop - Building Relationships. One Cup at A Time

Coffee with a Cop is an opportunity for the community to meet police officers and discuss issues and concerns over a cup of coffee while building trust in a casual atmosphere. McDonald's hosted the event and the employees graciously served the attendees. It was well attended, and our NNHA Resident Council President, Josephine Clark, was among the attendees. NNRHA discussed the May NNRHA Community Resources Meet & Greet event scheduled for May 29<sup>th</sup> and 30<sup>th</sup> being held at Aqueduct Apartments and Marshall Courts. This is an opportunity for the residents to meet the staff and share any concerns or needs. The officers were excited about the event and looked forward to participating.

### Great Oak Resident Council Meeting with Special Guests

Tiffany Andrews-Franklin and Fredrinka Lyinbor, representatives from InnovAge PACE, attended the meeting to discuss the comprehensive health services PACE offers seniors. Residents enjoyed light refreshments and painting.



**20 Pearls Foundation, Inc., along with Alpha Kappa Alpha Sorority, Inc.**

### **12th Annual Community Empowerment Fair**

NNRHA participated in the Community Empowerment Fair, a one-of-a-kind opportunity for families to access a wide range of resources and activities tailored to their specific needs. By attending, families could gain access to educational resources, child development programs, health and wellness screenings, and affordable housing options. The fair also provided a platform for families to strengthen their relationships and foster a sense of unity and empowerment within the community. Additionally, it offered valuable networking opportunities for families to connect with local organizations and support networks.



### **NNRHA Community Resources Resident Relations • Senior Resident**

#### **Peninsula Agency on Aging ~ Blood Pressure Education & Checks**

Our collaboration with the Peninsula Agency on Aging's (PAA) Community Health Department in April was a resounding success. Community Health Workers SaRoya Walton and Camelia Hahn prepared an informative blood pressure education slideshow, shared valuable insights on managing blood pressure, and engaged in a fruitful Q&A session with participants at Pinecroft Apartments, Ashe Manor, and Spratley House. They also conducted blood pressure readings and offered recommendations. PAA will be back next month to provide Diabetes Education, furthering our shared mission of community health.



**Legal**

**Aid**

**Society of Eastern Va.**

On April 3rd, Atty. Claire Izah and Susan Castle, from PAA, met with residents at Spratley House to finalize wills, Power of Attorney, and Advance Medical Directive documents free of charge. Ms. Castle met with Great Oak residents on April 25th to discuss the importance of having these essential legal documents.



## Serve the City (STC)

In April, STC volunteers visited Ashe Manor and Spratley House. They provide games, snacks, and fellowship, and residents look forward to their visits every month.

### Nothing But Smiles ~ Summit Christian Academy Students & Serve the City (STC) Come to Spratley!

STC partnered with Summit Christian Academy to allow students to volunteer at Spratley House. Students tended to the garden, delivered vegetables to residents, and assisted in trash clean up on the property. Residents were grateful for the wonderful treatment they experienced with the students.

**Newport News Public Library (NNPL)** - Staff visited Pinecroft Apartments, Ashe Manor, and Spratley during April. Residents enjoyed completing a spring craft and learning more about what the NNPL offers the community.



## Community Resource and Hiring Event



On April 3, 2024, the Family Investment Center hosted a Community Resource and Hiring Event for the residents of Marshall Courts. The purpose of this event was to share with our residents the resources and job opportunities that are available in the community. The Career & Resource Fair focused on providing a platform for job seekers to meet face-to-face with potential employers, learn about their company culture, and explore available job opportunities. Ten residents participated in this event.





**Other NNRHA Controlled Multi-Family Properties  
Waiting Lists as of April 2024**

<b>Property</b>	<b>Occupancy Rate</b>	<b>Approved/Eligible</b>	<b>Pending</b>	<b>Total</b>
Orcutt Townhomes I	93%	3	472	475
Cypress Terrace	96%	10	19	29
Oyster Point/Brighton	97%	10	43	53
Great Oak	97%	206	236	442
Lofts on Jefferson	86%	1	1	2
Jefferson Brookville	96%	3	18	21
Lassiter Courts	96%	27	180	207
Spratley	96%	2	3	5

### FAMILY SELF-SUFFICIENCY (FSS)

The following is a current breakdown of the status of FSS participants in the Public Housing and Housing Choice Voucher Programs for the month of March 2024.

Participants	Public Housing	Housing Choice Voucher	TOTAL
<b>Total</b> number in FSS Program	32	102	<b>134</b>
Employed	16	83	<b>99</b>
Currently not working	13	14	<b>27</b>
Attending Thomas Nelson Comm. College	0	1	<b>1</b>
Attending Christopher Newport Univ.	0	0	<b>0</b>
Enrolled in NNRHA Computer Training/GED	0	0	<b>0</b>
Enrolled in other Training Programs	1	2	<b>3</b>
Employed and going to school	2	2	<b>4</b>
Total Number of participants with escrow accounts	9	58	<b>67</b>



**NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY**  
**2024 Housing Choice and Mainstream Voucher Program Utilization Report - Actual**  
**For the Year Ending December 31, 2024**

										CY Housing Choice 2024 Annual Budget Authority	\$ 27,725,484	Estimate - 100% proportion
										Housing Choice Voucher Funding	\$ 27,725,484	
										Mainstream Voucher Program Funding	\$ 1,145,876	Estimate - 100%
										Emergency Housing Voucher Program Funding	\$ 173,678	Estimate - 100%
										HCV Units	2507	
										VASH units	54	
										CNI tenant protection	247	
										Marshall tenant protection	80	
										Warwick SRO - RAD2	88	
										Baseline HCV count	2976	
										Mainstream Vouchers	141	
										Emergency Housing Vouchers	32	
										Total Vouchers	3149	
Month	# of Vouchers Utilized	Lease Rate	HAP Payments to Landlords	Avg HAP	Monthly +/- Dollar Utilization	Monthly Amount of Funding Utilized	Year to Date Amount of Funding Utilized	Funding From HUD	Fraud Recovery	Other Sources Of Funds	NNRHA Held Reserve Balance	HUD Held Reserve Balance
January	HCV 2747 MS 132 EHV 32	94.2% 93.6% 100.0%	\$ 2,169,088.00 \$ 100,058.00 \$ 29,317.00	\$ 789.62 \$ 756.02 \$ 916.16	(129,783.00) (3,236.00) (2,705.00)	94.4% 96.9% 91.6%	94.4% 96.9% 91.6%	\$ 2,298,871.00 \$ 103,294.00 \$ 32,022.00	195.50 - -	\$ 195.50 - -	270,561.50 (109,561.00) 13,002.00	1,122,754.00 27,824.50 72,167.58
February	HCV 2734 MS 133 EHV 31	93.1% 94.3% 96.9%	\$ 2,191,730.00 \$ 102,919.00 \$ 27,040.00	\$ 801.66 \$ 773.83 \$ 872.26	(122,843.00) 11,858.00 (4,981.00)	94.7% 113.0% 84.4%	94.5% 104.4% 88.0%	\$ 2,314,573.00 \$ 91,061.00 \$ 32,021.00	195.00	\$ 195.00	393,599.50 (121,419.00) 17,983.00	1,094,038.00 32,336.50 54,619.67
March	HCV 2718 MS 134 EHV 32	91.9% 95.0% 100.0%	\$ 2,119,316.00 \$ 100,217.00 \$ 29,580.00	\$ 779.73 \$ 747.89 \$ 924.38	(107,387.00) (3,685.00) 4,486.00	95.2% 96.5% 117.9%	94.7% 101.7% 96.4%	\$ 2,226,703.00 \$ 103,902.00 \$ 25,094.00	-	\$ -	500,986.50 (117,734.00) 13,497.00	1,204,950.00 24,007.50 43,998.75
April	HCV 2701 MS 137 EHV 32	90.8% 97.2% 100.0%	\$ 2,196,223.00 \$ 100,291.00 \$ 27,865.00	\$ 813.11 \$ 732.05 \$ 870.78	(46,182.00) (3,611.00) 2,771.00	97.9% 96.5% 111.0%	95.5% 100.3% 99.6%	\$ 2,242,405.00 \$ 103,902.00 \$ 25,094.00	431.50	\$ 431.50	547,600.00 (114,123.00) 10,726.00	1,279,806.00 15,678.50 33,377.83
										\$ 9,193,644.00	\$9,598,942.00	\$ 822.00

**ITEM NO. 7**

**Closed Session**



**MR. HOLLOMAN READ:**

I move the Board enter into a Closed Session for the purposes of:

Discussion of personnel matters consistent with Virginia Code 2.2-3711 (A)  
(1)



**ITEM NO. 8**

**RESOLUTION OF THE NEWPORT NEWS REDEVELOPMENT AND HOUSING  
AUTHORITY CERTIFYING TO A CLOSED MEETING IN CONFORMITY WITH  
VIRGINIA LAW**

**WHEREAS**, the Newport News Redevelopment and Housing Authority Board of Commissioners convened a closed meeting on March 19, 2024 pursuant to an affirmative recorded vote in accordance with the provisions of The Virginia Freedom of Information Act; and

**WHEREAS**, Section 2.2-3711 Code of Virginia requires a certification by this Authority that such closed meeting was conducted in conformity with Virginia law:

**NOW, THEREFORE, BE IT RESOLVED** that the Newport News Redevelopment and Housing Authority Board of Commissioners certifies that, to the best of each member's knowledge:

1. Only public business matters lawfully exempted from open meeting requirements by Virginia Law were discussed in the closed meeting to which this certification resolution applies; and
2. Only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Board of Commissioners of the Newport News Redevelopment and Housing Authority.

**VOTE**

**AYES**

**NAYS**

Any departure from the requirements of said Act are hereby described:

\* \* \* \*



**MR HOLLOMAN READ**

**I make a motion to certify that:**

- 1. Only public business matters lawfully exempted from open meeting requirements by Virginia Law and only those matters as identified in the motion were discussed in the closed meeting, today.**
- 2. I request approval of the resolution certifying adherence to the Virginia Freedom of Information Act.**

**ITEM NO. 9**  
**Other Business**