



MEETING AGENDA

CHARLOTTESVILLE ECONOMIC DEVELOPMENT AUTHORITY **Tuesday, March 10, 2026 – 4:00 p.m. @ CitySpace, 100 5th St. NE**

- 1) CALL TO ORDER AND WELCOME
- 2) PUBLIC COMMENT
- 3) CONSENT AGENDA
 - a) Minutes from January 13, 2026, meeting
 - b) Treasurer Reports from November & December 2025
- 4) NEW BUSINESS
 - a) Resolution to approve Amended 501 Cherry Ave Performance Agreement
 - b) Resolution to approve FY27 Budget
- 5) OTHER BUSINESS AND ANNOUNCEMENTS
 - a) VBAF Grant
 - b) CABL Program
- 6) CLOSED SESSION
- 7) ADJOURNMENT

Individuals with disabilities who require assistance or special arrangements to participate in the public meeting may call the ADA Coordinator at (434) 970-3182 or submit a request via email to ada@charlottesville.gov. The City of Charlottesville requests that you provide a 48-hour notice so that proper arrangements may be made.



**Charlottesville Economic Development Authority (CEDA)
Meeting Minutes – January 13, 2026**

Members Present

Quinton Harrell
Addison Barnhardt
Denise Herndon
James Cauthen
Gareth Gaston
Steven Johnson

Staff Present

Chris Engel
Matt Johnson
Trish Carpenter

Not Present

Jay O'Donnell

Guests

Eric Angell
Vaden Hunt

A meeting of the Charlottesville Economic Development Authority occurred on Tuesday, January 13th, 2026, at CitySpace. The Chair, Mr. Barnhardt, called the meeting to order at 4:01 PM.

Mr. Barnhardt, the Chair, asked if there was any public comment; no public comments noted.

Mr. Barnhardt asked the board if there were any comments or questions regarding the September 9, and October 14, 2025, meeting minutes or the financial reports for August, September and October 2025. There being no comments or questions, the Chair asked for a motion to approve the Consent Agenda, motion moved by Mr. Johnson, second by Ms. Herndon, all in favor. Motion passed.

Mr. Engel introduced Eric Angell from the audit firm Robinson, Farmer, Cox Associates, PLLC to present the results of the FY2025 Annual Audit. A hardcopy of the audit was presented to the Board for their review. Mr. Angell gave a clean opinion on the overall audit and stated that the authority is run well. All documents were provided for his review and met the standards as contained in Government Auditing Standards issued by the Comptroller General. There being no questions from the Board, Mr. Barnhardt asked for a motion to accept the FY2025 Annual Audit report; motioned by Mr. Cauthen, second by Mr. Harrell, all in favor. Motion passed.

Mr. Engel provided an overview of the FY25 Annual Report to the Board, a practice that has been performed for the past 10 years. The report includes the general history of EDA and highlights activities for the recent fiscal year ending on June 30, 2025. After a brief discussion about the report, the Chair asked for a motion to accept the FY25 Annual Report, Mr. Johnson so moved, Mr. Cauthen second the motion, all in favor. Motion passed.

Nominations and election of the Chair and Vice-Chair for CY2026 was next on the agenda. After some discussion, Mr. Barnhardt will continue as the Chair, and Mr. O'Donnell will continue as the Vice-Chair. Mr. Harrell moved to accept the nominations, Mr. Johnson second the motion, all in favor. Motion passed.

Next item on the agenda was to review the revised Charlottesville Affordable Bridge Loan (CABL) funds documents and process. Mr. Engel provided a brief overview of the process that began in August. Some items discussed in previous Board meetings were revised and a draft promissory note and deed of trust were developed by an outside attorney. After the Board members reviewed and discussed the process including the changes, Mr. Barnhardt asked for a motion to approve the CABL Fund documents and process, Mr. Johnson so moved, Mr. Gason second the motion, all in favor. Motion passed.

A FOIA training presentation was presented to the Board by Chief Deputy City Attorney Vaden Hunt for the City of Charlottesville.

Mr. Engel informed the Board that the annual Statement of Economic Interest is due from all Board members by February 2nd, 5 PM and should be returned directly to the Clerk of Council.

In other business, Mr. Johnson requested to discuss at a future meeting with the County's EDA working together to promote employment from the local area for the incoming pharmaceutical companies. Mr. Johnson also inquired about the City's newly announced Economic Mobility Officer and what her role is within the City.

Mr. Engel informed the Board that the final results of the BioBridge study - a regional study exploring workforce training opportunities will be completed this spring and that it may be possible to have a joint presentation with the County EDA on the findings at a future meeting.

There being no further business, Mr. Barnhardt asked for a motion to adjourn the meeting, so moved by Mr. Johnson, second by Mr. Cauthen, all present in favor. The Chair adjourned the meeting at 5:29 PM.

Chris Engel, Secretary

Date Approved by CEDA

**CHARLOTTESVILLE ECONOMIC DEVELOPMENT AUTHORITY
TREASURER'S REPORT FOR PERIOD NOVEMBER 30, 2025
REVENUE & EXPENDITURE DETAIL**

	November	Budget	YTD*	Variance
REVENUES				
EDA Admin Fees		\$ 16,500.00	\$ 54,000.00	\$ 37,500.00
S&PG Rent Payment	\$ 20,000.00	\$ 240,000.00	\$ 120,000.00	\$ (120,000.00)
Charlottesville Pavilion Rent		\$ 100.00		\$ (100.00)
Charlottesville Pavilion Loan Payment-\$2.4		\$ 170,886.00	\$ 65,502.28	\$ (105,383.72)
Charlottesville Pavilion - Ticket Surcharge Remittance		\$ -	\$ 13,104.00	\$ 13,104.00
Charlottesville Pavilion - Maintenance Fund Deposit		\$ -	\$ 8,559.00	\$ 8,559.00
Interest Earned on CEDA Cash Deposits		\$ -		\$ -
Performance Agreements		\$ 250,000.00		\$ (250,000.00)
State AFID Grant		\$ -		\$ -
Reserves		\$ 26,016.00		\$ (26,016.00)
TOTAL REVENUES	\$ 20,000.00	\$ 703,502.00	\$ 261,165.28	\$ (442,336.72)
EXPENDITURES				
Project Reserves		\$ -		\$ -
Contribution to the City for Administration		\$ 100,000.00		\$ 100,000.00
Education and Training		\$ 2,000.00		\$ 2,000.00
Marketing		\$ 25,000.00	\$ 13,750.00	\$ 11,250.00
Legal Fees	\$ 1,485.00	\$ 15,000.00	\$ 2,250.00	\$ 12,750.00
Research	\$ 1,636.29	\$ 10,000.00	\$ 3,272.58	\$ 6,727.42
Supplies		\$ 1,500.00		\$ 1,500.00
Rent to City for Pavilion		\$ 1.00		\$ 1.00
Rent to City for SP&G Building		\$ 1.00		\$ 1.00
ACE Program		\$ 18,000.00	\$ 224.90	\$ 17,775.10
Cville Match		\$ 50,000.00	\$ 18,750.00	\$ 31,250.00
GO Hire		\$ 50,000.00	\$ 500.00	\$ 49,500.00
GO VA Match		\$ 150,000.00	\$ 50,000.00	\$ 100,000.00
Recovery Programming		\$ 20,000.00		\$ 20,000.00
Performance Agreements		\$ 250,000.00		\$ 250,000.00
State/AFID Grants				
Audit Fees/Adjustment		\$ 12,000.00		\$ 12,000.00
TOTAL EXPENDITURES	\$ 3,121.29	\$ 703,502.00	\$ 88,747.48	\$ 614,754.52

Notes:

- Charlottesville Pavilion is required to make semi-annual loan payments in the amount of \$85,442.28. That amount is being paid using the ticket surcharge money. If ticket surcharge collections are not enough to cover the loan payment, Charlottesville Pavilion remits a check to CEDA for the difference.

- Rent to the City for S&PG Building has been prepaid for the duration of the lease.

**CHARLOTTESVILLE ECONOMIC DEVELOPMENT AUTHORITY
TREASURER'S REPORT FOR PERIOD ENDING NOVEMBER 30, 2025
SUMMARY INFORMATION**

S&PG RENT PAYMENT			
FY19		\$	260,000.00
FY20		\$	220,000.00
FY21		\$	260,000.00
FY22		\$	240,000.00
FY23		\$	260,000.00
FY24		\$	240,000.00
FY25		\$	240,000.00
7/1/2025	\$	20,000.00	\$ 120,000.00
8/1/2025	\$	20,000.00	
9/1/2025	\$	40,000.00	
10/1/2025	\$	20,000.00	
11/1/2025	\$	20,000.00	
12/1/2025			
1/1/2026			
2/1/2026			
3/1/2026			
4/1/2026			
5/1/2026			
6/1/2026			
TOTAL CURRENT FISCAL YR	\$	120,000.00	
BEGINNING CASH BALANCE			
	\$	2,902,254.58	
Plus Revenues	\$	20,000.00	
Minus Expenditures	\$	(3,121.29)	
ENDING CASH BALANCE - 11/30/2025	\$	2,919,133.29	
WORKING CASH BALANCE			
Cash Balance 11/30/2025	\$	2,919,933.29	
Reserved for COF Local Match	\$	(200,000.00)	
Reserved for Pavilion Maintenance Fund	\$	(121,235.99)	
Reserved for S&PG Maintenance Fund	\$	(560,000.00)	
Reserved for S&PG Security Deposit	\$	(65,895.00)	
Reserved for 700 Jefferson St. Security Deposit	\$	(31,000.00)	
Reserved for 1520 E. High St.	\$	(19,200.00)	
CEDA Opportunity Fund	\$	(500,000.00)	
WORKING CASH BALANCE -11/30/25	\$	1,422,602.30	

* FISCAL YEAR RUNS FROM JULY 1, 2025 TO JUNE 30, 2026

**CHARLOTTESVILLE ECONOMIC DEVELOPMENT AUTHORITY
TREASURER'S REPORT FOR PERIOD DECEMBER 31, 2025
REVENUE & EXPENDITURE DETAIL**

	December	Budget	YTD*	Variance
REVENUES				
EDA Admin Fees		\$ 16,500.00	\$ 54,000.00	\$ 37,500.00
S&PG Rent Payment	\$ 20,000.00	\$ 240,000.00	\$ 140,000.00	\$ (100,000.00)
Charlottesville Pavilion Rent	\$ 600.00	\$ 100.00	\$ 600.00	\$ 500.00
Charlottesville Pavilion Loan Payment-\$2.4	\$ 72,338.28	\$ 170,886.00	\$ 137,840.56	\$ (33,045.44)
Charlottesville Pavilion - Ticket Surcharge Remittance	\$ 3,530.00	\$ -	\$ 16,634.00	\$ 16,634.00
Charlottesville Pavilion - Maintenance Fund Deposit		\$ -	\$ 8,559.00	\$ 8,559.00
Interest Earned on CEDA Cash Deposits		\$ -		\$ -
Performance Agreements		\$ 250,000.00		\$ (250,000.00)
State AFID Grant		\$ -		\$ -
Reserves		\$ 26,016.00		\$ (26,016.00)
TOTAL REVENUES	\$ 96,468.28	\$ 703,502.00	\$ 357,633.56	\$ (345,868.44)
EXPENDITURES				
Project Reserves		\$ -		\$ -
Contribution to the City for Administration		\$ 100,000.00		\$ 100,000.00
Education and Training		\$ 2,000.00		\$ 2,000.00
Marketing		\$ 25,000.00	\$ 13,750.00	\$ 11,250.00
Legal Fees		\$ 15,000.00	\$ 2,250.00	\$ 12,750.00
Research		\$ 10,000.00	\$ 3,272.58	\$ 6,727.42
Supplies		\$ 1,500.00		\$ 1,500.00
Rent to City for Pavilion		\$ 1.00		\$ 1.00
Rent to City for SP&G Building		\$ 1.00		\$ 1.00
ACE Program		\$ 18,000.00	\$ 224.90	\$ 17,775.10
Cville Match		\$ 50,000.00	\$ 18,750.00	\$ 31,250.00
GO Hire	\$ 1,350.00	\$ 50,000.00	\$ 1,850.00	\$ 48,150.00
GO VA Match	\$ 30,000.00	\$ 150,000.00	\$ 80,000.00	\$ 70,000.00
Recovery Programming		\$ 20,000.00		\$ 20,000.00
Performance Agreements		\$ 250,000.00		\$ 250,000.00
State/AFID Grants				
Audit Fees/Adjustment		\$ 12,000.00		\$ 12,000.00
TOTAL EXPENDITURES	\$ 31,350.00	\$ 703,502.00	\$ 120,097.48	\$ 583,404.52

Notes:

- Charlottesville Pavilion is required to make semi-annual loan payments in the amount of \$85,442.28. That amount is being paid using the ticket surcharge money. If ticket surcharge collections are not enough to cover the loan payment, Charlottesville Pavilion remits a check to CEDA for the difference.

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**CHARLOTTESVILLE ECONOMIC DEVELOPMENT AUTHORITY
TREASURER'S REPORT FOR PERIOD ENDING DECEMBER 31, 2025
SUMMARY INFORMATION**

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FY25		\$	240,000.00
7/1/2025	\$	20,000.00	\$ 120,000.00
8/1/2025	\$	20,000.00	
9/1/2025	\$	40,000.00	
10/1/2025	\$	20,000.00	
11/1/2025	\$	20,000.00	
12/1/2025			
1/1/2026			
2/1/2026			
3/1/2026			
4/1/2026			
5/1/2026			
6/1/2026			
TOTAL CURRENT FISCAL YR	\$	120,000.00	
BEGINNING CASH BALANCE			
	\$	2,919,933.29	
Plus Revenues	\$	96,468.28	
Minus Expenditures	\$	<u>(31,350.00)</u>	
ENDING CASH BALANCE - 12/31/2025	\$	2,985,851.57	
WORKING CASH BALANCE			
Cash Balance 12/31/2025	\$	2,985,851.57	
Reserved for COF Local Match	\$	(200,000.00)	
Reserved for Pavilion Maintenance Fund	\$	(124,765.99)	
Reserved for S&PG Maintenance Fund	\$	(560,000.00)	
Reserved for S&PG Security Deposit	\$	(65,895.00)	
Reserved for 700 Jefferson St. Security Deposit	\$	(31,000.00)	
Reserved for 1520 E. High St.	\$	(20,000.00)	
CEDA Opportunity Fund	\$	(500,000.00)	
WORKING CASH BALANCE - 12/31/25	\$	<u>1,484,190.58</u>	

* FISCAL YEAR RUNS FROM JULY 1, 2025 TO JUNE 30, 2026

**RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF CHARLOTTESVILLE, VIRGINIA
APPROVING A CERTAIN PERFORMANCE AGREEMENT**

WHEREAS, the Economic Development Authority of the City of Charlottesville, Virginia (**the “Authority”**), a political subdivision of the Commonwealth of Virginia (**the “Commonwealth”**), is empowered under Sections 15.2-4901, *et seq.*, of the *Code of Virginia*, 1950, as amended (**the “Code”**) to promote economic development and assist facilities for the use by non-profit organizations to enable them to accomplish such purposes for the benefit of inhabitants of the Commonwealth and for the promotion of their health, welfare, convenience or prosperity and specifically under Sections 15.2-4905(12) and (13) of the Code to accept monies from the City of Charlottesville, Virginia (**the “City”**) and to make grants to any entity in furtherance of the purposes for which the Authority was created; and

WHEREAS, the Authority may accept contributions, grants and other financial assistance from the City for authority facilities, and make grants to any person, partnership, association, corporation, business, or governmental entity for the purposes of promoting economic development in the City; and

WHEREAS, the Authority, by its resolution adopted March 11, 2025 approved that certain Performance Agreement dated March 20, 2025 (**the “Agreement”**) by and among the Authority and Piedmont Housing Alliance, a non-profit 501(c)(3) organization under the Internal Revenue code of 1986 as amended, including its permitted successors and assigns (**the “Developer”**), to provide a certain financial incentive grant (**the “Grant”**) to the Developer in order to encourage and induce the Developer to invest a significant amount of money into real estate improvements, described as 501-A Cherry Avenue planned development consisting of 71 units (**the “Investment”**) located in the City and such 71 units are described and depicted on Exhibit A of the Agreement (**the “Property”**) along with the other requirements included in such Investment as set forth in Exhibit B to the Agreement

WHEREAS, the Developer has requested amendments to the Agreement to provide for an increase to the Grant from 50% to 100% of the incremental tax increase on the Property due to the Investment, to clarify the residency targets for the Property and such other revisions as set forth in the proposed Amended and Restated Performance Agreement (**the “Amended Agreement”**) by and among the Authority and the Developer, attached hereto as **Exhibit A**; and

WHEREAS, the Grant shall be paid, subject to annual appropriation by the City Council of the City (**the “City Council”**), for a period of thirty (30) consecutive years, and would be equal to, but not exceed, one hundred percent (100%) of the portion of the total annual real property taxes received by the City for the Property each year which is attributable to the incremental increase in assessed value of the Property subsequent to the construction of the Investment; and

WHEREAS, payment of the Grant shall be dependent upon certain conditions set forth in Section 3 of the Amended Agreement; and

WHEREAS, the Authority requests that the City Council, empowered pursuant to §15.2-953 of the Code of Virginia of 1950, as amended, consider and adopt a resolution (the “Approving Resolution”) which, while recognizing that the City Council is not empowered under Virginia law to make any binding commitment beyond the current fiscal year of the City, provides that it is the current intention of the City Council to make sufficient annual appropriations of public funds to the Authority for the purpose of promoting economic development in the City and funding all financial obligations of the Authority pursuant to and during the term of the Amended Agreement; and

WHEREAS, there has been presented in this meeting a draft of the Amended Agreement which sets forth the understanding and agreement between the Authority and the Developer and which the Authority proposes to execute.

NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHARLOTTESVILLE, VIRGINIA:

1. The Authority finds and determines that the terms and conditions of the Amended Agreement, including the provisions for the Grant, will be consistent with the purposes of the Code.

2. The Chairman of the Authority or the Vice-Chairman of the Authority, either of whom may act, is hereby authorized and directed to execute the Amended Agreement.

3. The Amended Agreement shall be in substantially the form submitted in this meeting, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the officer or member executing it, if and as appropriate, his or her execution to constitute conclusive evidence of his or her approval of any such completions, omissions, insertions and changes.

4. Any authorization herein to execute the Amended Agreement shall include authorization to deliver it to the other party thereto and to record such document where appropriate.

5. The Chairman of the Authority, Vice-Chairman of the Authority and all other officers or members of the Authority are hereby authorized and directed to work with Sands Anderson PC as Authority Counsel and the Developer to perform all services and prepare all documentation necessary or appropriate for the execution and performance of the Amended Agreement, including, but not limited to, any certifications, agreements or assignments requested by Developer in connection with the financing or undertaking of the Investment.

6. All other acts of the officers or members of the Authority that are in conformity with the purposes and intent of this resolution are hereby approved and ratified.

7. Notwithstanding anything herein to the contrary, the authorization to execute and deliver the Amended Agreement is contingent upon the adoption by the City Council of the Approving Resolution.

8. This resolution shall take effect immediately.

ADOPTED: _____, 2026

CERTIFICATION OF ADOPTION OF RESOLUTION

I, the undersigned Secretary of the Economic Development Authority of the City of Charlottesville, Virginia, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Authority at an open meeting duly called and held on _____, 2026 and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof. The following represent the votes taken at such meeting:

Member	Ayes	Nays	Abstentions
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WITNESS my hand and the seal of the Authority, this ____ day of _____, 2026.

Secretary, Economic Development Authority
of the City of Charlottesville, Virginia

[SEAL]

Exhibit A

Performance Agreement

**AMENDED AND RESTATED PERFORMANCE
AGREEMENT**

This **AMENDED AND RESTATED PERFORMANCE AGREEMENT** (the “**Agreement**”) dated as of this ___ day of _____, 2026 (the “**Effective Date**”), by and among Piedmont Housing Alliance, a non-profit 501(c)(3) organization under the Internal Revenue Code of 1986, as amended (including its permitted successors and assigns, the “**Recipient**”), and the Economic Development Authority of the City of Charlottesville, Virginia, a political subdivision of the Commonwealth of Virginia (the “**Authority**”) and acknowledged by the City of Charlottesville, Virginia, a political subdivision of the Commonwealth of Virginia (the “**City**”) hereby amends and restates that certain Performance Agreement dated March 20, 2025, (the “**Original Agreement**”).

WHEREAS, the Recipient, or a subsidiary, plans to invest a significant amount of money to develop the Project, as defined below, on the Site, as defined below;

WHEREAS, the City and the Authority have determined that the Project will result in significant investment and economic development on the Site, will promote safe and affordable housing in the City, will result in substantial benefits to the welfare of the City and its inhabitants, is in the public interest, and serves governmental interests;

WHEREAS, the City plans to provide monies to the Authority to enable the Authority to enter into a performance agreement providing grant funding (the “**Funding**”) by the Authority to the Recipient for the purpose of inducing the Recipient to construct and operate the Project in the City and to assist the Recipient in obtaining the capital necessary for construction of the Project;

WHEREAS, payment of the Funding will be conditioned upon Recipient’s completion of construction and continued maintenance of the Project and the funds comprising payments of the Funding will be solely limited to an amount equal to a portion of the Incremental Real Estate Tax Revenues (as hereinafter defined) for the Site generated by the Project and the increase in assessed value of the Site by the City above the Base Year Tax Revenue, as defined herein (i.e., including both the fee interest and leasehold interest, if applicable in the land and all improvements), all as set forth herein;

WHEREAS, the City is authorized by Section 15.2-953 of the Code of Virginia of 1950, as amended, (the “**Code of Virginia**”) and other laws, and the Authority is authorized by the Industrial Development and Revenue Bond Act, contained in Chapter 49, Title 15.2 of the Code of Virginia, (the “**Act**”) and other laws to perform the activities contemplated in this Agreement. The Authority is authorized by the Act to make grants and provide funding to non-profit organizations and other organizations, such as the Recipient or any person, partnership, association, corporation, business, or governmental entity, as provided herein, to enable them to accomplish such purposes for the benefit of inhabitants of the Commonwealth of Virginia and for the promotion of their health, welfare, convenience or prosperity specifically under Sections 15.2-4905(12) and (13) of the Act to accept monies from the City and to make grants and provide funding to any entity in furtherance of the purposes for which the Authority was created; and

WHEREAS, this Agreement sets forth the understanding of the parties concerning the

Recipient's obligations, the Authority's obligations, and any appropriations made by the City Council of the City (**the "City Council"**), subject to the initial approval of the Authority's Board and the City Council and subject to annual appropriations by the City Council and any conditions to funding herein;

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits, promises and undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows.

Section 1. Preliminary Provisions

1.1 Incorporation of Recitals. The foregoing recitals are incorporated herein by reference.

1.2 Definitions. For the purposes of this Agreement, the following terms shall have the following definitions:

"AMI" means area median gross income for the Charlottesville Metropolitan Statistical Area for each applicable year of the Funding Period.

"Approved Lender" means any institutional lender reasonably approved by the Authority in writing upon the request by the Recipient after providing reasonable documents and information requested by the Authority.

"Base Real Estate Tax Revenue" means \$27,524 per year, being the amount equal to the real estate taxes levied on the Site for the current tax year as of the Effective Date. The Base Real Estate Tax Revenue is allocated \$15,506 for the 501A Property and \$12,018 for the 501B Property.

"Funding" means a grant funding to be paid to the Recipient, or its successors or assigns, by the Authority pursuant to this Agreement.

"Funding Payment" means, for each real estate tax year during the Funding Period, an amount equal to 100% of the Incremental Real Estate Tax Revenue for such corresponding tax year. The Parties acknowledge that the annual real estate tax levy is and may in the future be billed and due in installments (currently twice a year); therefore, as used herein "Funding Payment" shall include payments of 100% of the Incremental Real Estate Tax Revenue for each installment payment corresponding to the applicable Real Estate Tax Levy as prorated for the applicable installment period.

"Funding Period" means that certain period commencing upon Recipient's completion of Project construction, as shall be evidenced by receipt of a temporary Certificate of Occupancy ("Funding Commencement Date") and ending thirty (30) years following the Funding Commencement Date ("Funding Expiration Date"). The parties acknowledge that the "Real Estate Tax Levy" for the last year of the Funding Period may not be received by the City until after the Funding Expiration Date, and that a Funding Payment shall be paid to Recipient corresponding to such Real Estate Tax Levy.

“Incremental Real Estate Tax Revenue” means, for each applicable real estate tax year during the Funding Period, the amount by which the Real Estate Tax Levy exceeds the Base Real Estate Tax Revenue, provided Recipient pays the Real Estate Tax Levy to the City in full and on time (except as provided in Section 3.3 below). In no event shall the Incremental Real Estate Tax Revenue (or the Funding Payment) include penalties, interest, or any other charges resulting from any delinquent payment. The Parties acknowledge that the Real Estate Tax Levy is and may in the future be billed and due in installments (currently twice a year); therefore, as used herein. “Incremental Real Estate Tax Revenue” shall be determined based on the applicable payment (or installment) of the Real Estate Tax Levy for each applicable real estate tax year.

“Investment” means the Recipient’s plans to fund the construction and related costs of the Project with significant equity and loan funds of approximately \$25 million.

“Investor Member” means that certain low-income housing tax credit investor(s) designated by the Recipient. The Recipient shall provide the name and notice address of such designated Investor Member to the Authority.

“Maintain” means the Recipient’s continued maintenance in accordance with the applicable Virginia Statewide and City building codes and operation of the Project following completion of Project construction as affordable housing, as set forth by Section 2.2.2 of this Agreement.

“Project” means a development on the Site containing not less than 71 residential units, subject to income and rent restrictions as set forth in Section 2.4 and as shown on Exhibit B, and monitored by the State Housing Finance Agency. The Project shall consist of two separate buildings expected to be owned by affiliates of Piedmont Housing Alliance; the buildings are known as “501A Property” and “501B Property” as shown on Exhibit A.

“Real Estate Tax Levy” means the amount of real estate taxes levied by the City on the Site (including both the fee interest (and leasehold interest, if applicable)) and Project (i.e., including land and all improvements) for a given real estate tax year, pursuant to Chapter 30 of the Code for the City (“City Code”). The Real Estate Tax Levy shall be allocated between the 501A Property and the 501B Property (as such terms are defined under the term “Project”) in the same proportion as described in the defined term “Base Real Estate Tax Value” unless and until those properties are subdivided and separately assessed by the City or as otherwise agreed by both parties in writing.

“Recipient” means Piedmont Housing Alliance, a non-profit 501(c)(3) organization under the Internal Revenue Code of 1986, as amended, and its successors and assigns, to the extent permitted by this Agreement.

“Site” means that certain 1.40-acre parcel currently owned by W P 501 Cherry LLC, located at 501 Cherry Avenue and currently referred to in the records of the City Assessor as Parcel No. 290178000 and as further described in Exhibit A.

“State Housing Finance Agency” means Virginia Housing (formerly known as Virginia Housing Development Authority), a political subdivision of the Commonwealth of Virginia, or its successor.

Section 2. Recipient's Obligations

2.1 Completion of Project Construction: Timeline.

2.1.1 Plan of Development. Recipient shall submit a Plan of Development or similar submission for the Project to the City's Director of Neighborhood Development Services no later than approximately nine (9) months after the Effective Date, which Plan of Development or similar submission shall comply with the relevant provisions of the City Code and shall contain all elements of the Project as defined herein.

2.1.2 Commencement of the Project Construction. Recipient shall commence construction of the Project within approximately eighteen (18) months of the Effective Date, (the "**Construction Commencement Date**"), which shall be subject to force majeure extensions upon notice from Recipient to the City that shall not exceed nine (9) months, and shall be evidenced by the issuance of all permits necessary for commencement of construction of the Project.

2.1.3 Completion of Project Construction. Recipient shall complete the Project within three (3) years of the Construction Commencement Date, which shall be subject to force majeure extensions upon notice from Recipient to the City or extensions required by an Approved Lender, either of which shall not exceed nine (9) months, and shall be evidenced by the issuance of a temporary certificate of occupancy for the Project.

2.1.4 Failure to Comply. If Recipient fails to timely comply with any of the provisions of this Section 2.1 then the Authority's Executive Director, in his or her sole discretion, may either extend the time by which Recipient must comply with the corresponding requirement or provide written notice of the Authority's intent to terminate this Agreement (which shall be delivered to the Recipient and the State Housing Finance Agency or Approved Lender). The Investor Member of the Recipient may provide its notice address, in which event, the Authority will use commercially reasonable efforts to include the Investor Member on any such written notices and permit the Investor Member to effect a cure. If Recipient or its Investor Member fails to cure its failure to comply within 30 days of such written notice then this Agreement (however, if such cure cannot reasonably be effected within such 30-day period, then such reasonable period of time as is necessary not to exceed 120 days provided the Recipient (or its Investor Member on its behalf) has promptly commenced and is diligently pursuing such cure, including all rights and obligations herein, shall, upon the Authority's election and subject to the rights of Approved Lender under Section 6.3 hereof, terminate and neither the City nor the Authority shall have any further obligation to the Recipient and Recipient shall no longer be eligible for any Funding Payments hereunder.

2.2 Continued Maintenance and Operation of Project.

2.2.1 Continued Control of the Project by Recipient. Recipient shall continue to own, lease, or otherwise control the Site until completion of the Project construction pursuant to Section 2.1.3 of this Agreement and thereafter shall continue to own, lease, or otherwise control the Project until expiration of the Funding Period. Notwithstanding the foregoing, Recipient may transfer the ownership in the Project to third parties ("**Permitted Transferee**") but only if the Authority has provided prior written permission, in its sole

discretion, for the transfer to the Permitted Transferee following review by the Authority of the Permitted Transferee's organization and information relating to such Permitted Transferee's financial condition, and following such approval, Recipient may (1) assign this Agreement, including the rights and obligations herein to such party or parties at the time it transfers ownership in the Project (including any leasehold interests), and (2) if the Agreement is assigned, Recipient shall provide the Authority 30 days' prior written notice of its intent to transfer ownership in the Project, which notice shall include the contemplated date of transfer, the name of the party or parties to which it intends to transfer, and a written statement from such party that it is aware that this Agreement, including the rights and obligations herein, will be assigned to such party and such Permitted Transferee shall be bound by all terms of this Agreement. Following the transfer of ownership in the Project to the Permitted Transferee as provided above, the term "Recipient" as used herein shall mean the Permitted Transferee. Any transfers by or related to a foreclosure or deed in lieu thereof by an Approved Lender are deemed approved. Notwithstanding anything to the contrary herein, the Recipient intends to assign this Agreement to 501-A Cherry, LLC and 501-B Cherry, LLC (both of which are intended to be affiliates of the Recipient and each a Permitted Transferee) to complete the Project and such assignment is approved by the Authority and acknowledged by the City. Such assignment shall not relieve the Recipient of any of its obligations under this Agreement.

2.2.2 Continued Maintenance and Operation of the Project. Following Recipient's completion of Project construction as set forth in Section 2.1.3 of this Agreement, the Recipient, or its permitted successors or assigns, shall continue to Maintain the Project until the expiration of the Funding Period. For avoidance of doubt, Recipient's obligation to Maintain the Project includes Recipient's ongoing compliance with the provisions set forth in Section 2.4 (Affordable Housing) of this Agreement.

2.3 MBE Participation.

2.3.1 Goal. The Recipient agrees to diligently work towards the following goal: Where capacity, capability and competitive pricing among minority business enterprises and emerging small businesses exists, 30% of all expenditures for construction costs of the Project that will be paid to third party subcontractors unaffiliated with the Recipient will be spent with minority business enterprises and emerging small businesses that perform commercially useful functions with regard to the prosecution and completion of the Project. The Recipient shall include this goal in its contracts with all assignees, contractors and subcontractors who will be providing any portion of the Project. The Recipient further agrees to encourage contractors and sub-contractors during the construction phase of the Project to provide employment opportunities for City residents, and to that end, to work closely with the City of Charlottesville Office of Economic Development and the Central Virginia Partnership for Economic Development and the Virginia Workforce Center if recruitment, screening, and training of residents is required.

2.3.2 Reporting. To enable the City to measure the achievements of the Recipient and its assignees, contractors and subcontractors with regard to the participation goals set forth above, during the period prior to completion of Project construction, the Recipient shall submit a report, upon request, detailing all expenditures with minority business enterprises and emerging small businesses, showing, at a minimum, (i) the name of the

business, (ii) an itemization of what the business provided, (iii) the amount paid for each item, (iv) the total amount of spending to date with minority business enterprises and emerging small businesses and (v) the percentage of total expenditures for the quarter spent with minority business enterprises and emerging small businesses. If the City chooses, the Recipient shall submit these reports on forms reasonably prescribed by the City.

2.4 Affordable Housing.

The Recipient shall restrict occupancy and rents of the Project according to the schedule shown on Exhibit B, according to standards promulgated by the State Housing Finance Agency or as otherwise approved in writing by the Authority at the written request of the Recipient. Ongoing compliance monitoring and approvals by the State Housing Finance Agency, as provided to the City upon the City's request, shall serve as evidence of the Recipient's compliance with this section.

Section 3. Disbursement of Funding.

3.1 Funding. Subject to the provisions of this Section 3, during the Funding Period, the Authority shall pay to Recipient (subject to annual appropriation by the City Council) the Funding Payments for such real estate tax year (e.g. the amount equal to 100% of the Incremental Real Estate Tax Revenue for such corresponding tax year), beginning 15 months following the annual valuation of the Project by the City Assessor, which can be done as early as the Completion Date, which is defined as any time after a certificate of occupancy has been issued by the City for at least 50% of the residential units in the Project (i.e. **(35) units**) (**the "Completion Date"**) and annually thereafter, within ninety (90) days following receipt by the City of the annual assessed real property taxes paid by the Recipient (or subsequent owners of the Project) related to the Project. The Funding shall be paid by the Authority to the Recipient (or its Permitted Transferees), annually during the term of this Agreement, which is 30 years from the Completion Date, subject to annual appropriations by City Council.

3.2 Intentionally Deleted.

3.3 Disbursement of Funding Payment. Subject to any necessary City Council action, including any necessary budget amendment or whether the City Council has determined to appropriate funds to the Authority for such purpose, the Authority agrees to pay the Funding Payment to Recipient (or its Permitted Transferees or to such party to which Recipient has assigned Funding Payments pursuant to Section 9.1 of this Agreement), within fifteen (15) business days of receipt of the funds from the City. Disbursement of the Funding Payment to the Recipient is contingent upon the following:

- a) the Recipient certifies that it has made the Investment in the Project no later than the Completion Date and providing the City and the Authority, at either of their request, with reasonable evidence of the amount of such investment, and certifies its continued Maintenance of the Project, including, if requested by the City or Authority, any reasonable evidence of such Maintenance, including inspections during normal business hours upon advanced written notice;
- b) the Recipient and any subsequent owner or owners of all or any portion of the Project agreeing not to contest any increase in assessed value for the Project for any year on

which a Funding is based;

- c) to the extent that the assessed value of the Project is decreased for any reason during the term of this Agreement, the amount of Funding shall be reduced by the tax decrease based on the decrease in Incremental Increased Value; and
- d) no Funding shall be paid so long as any taxes of any kind due and owing to the City by the Recipient or subsequent owner or owners of all or any portion of the Project remain unpaid or if the assessed value for the Project is being contested. Recipient agrees to pay all taxes due to the City in a timely manner.

3.4 Recipient's Relief. Should Recipient believe the Authority failed to comply with Section 3.3 of this Agreement, Recipient may seek relief in accordance with Section 9.2 of this Agreement. Provided, however, Recipient's sole remedy shall be to receive payment for a Funding Payment to which it was entitled (subject to the restrictions set forth in this Agreement, including, but not limited to, Sections 3.3 and 9.5) and for which it did not receive payment.

Section 4. General Administration of Funding

4.1 The City has agreed to transfer to the Authority, subject to appropriation by the City Council, the funds necessary for the Authority to meet its obligations under this Agreement relating to the Funding. No administrative fees or expenses shall be paid by the City.

4.2 The Authority's obligation to undertake the activities herein is specially conditioned upon the City providing funding on a timely basis; provided, however, the City's obligation is subject to annual appropriation by the City Council.

4.3 The Authority agrees to provide the City Manager, or the designee thereof, with copies of all documents related to this Agreement and will keep the City Manager fully and timely informed of all matters related to this Agreement.

4.4 The Authority agrees that all funds transferred by the City to the Authority for the Funding shall be deposited by the Authority within a Project Fund, to be used only to satisfy the obligations contained in this Agreement related to the Funding.

4.5 It is the intent of the parties not to impose upon the Authority any responsibility, duty, or obligation other than what may be required to implement the Funding. Accordingly, Authority does not assume any responsibility or liability whatsoever except as specifically stated herein. If litigation involving the Funding is initiated or expected to be filed against the Authority, the Authority shall immediately notify the City Attorney and the City Manager.

4.6 The Authority shall keep records of its financial transactions, if any, related to this Agreement in accordance with generally accepted accounting principles. The City Auditor or his designee may at any time audit the financial transactions undertaken under this Agreement. The Authority shall cooperate to ensure that the City Auditor is granted reasonable access on a timely basis to all books and records of the Authority necessary to complete such audits.

4.7 Intentionally Deleted.

4.8 The Recipient shall pay a non-refundable application fee of \$1,500 to proceed with this Agreement.

4.9 The Recipient shall pay an annual administrative fee of \$1,500 upon the anniversary of the Effective Date. Such annual administrative fee shall be due regardless of whether grant disbursement is underway or not.

Section 5. Representations of the Recipient

5.1 The Recipient is empowered to enter into this Agreement, to be bound hereby, and to perform according to the terms hereof.

5.2 Any and all actions necessary to enable the Recipient to enter into this Agreement, and to be bound hereby, have been duly taken.

5.3 The person or persons executing or attesting the execution of this Agreement on behalf of the Recipient has or have been duly authorized and empowered to so execute or attest.

5.4 The execution of this Agreement on behalf of the Recipient will bind and obligate the Recipient to the extent provided by the terms hereof.

5.5 There exists no litigation pending against the Recipient or to the Recipient's knowledge threatened, which if determined adversely, would materially and adversely affect the ability of the Recipient to carry out its obligations under this Agreement or the transactions contemplated hereunder.

5.6 The Recipient will comply with all applicable federal, state and local laws and secure all plans, approvals, bonds and permits as may be necessary or appropriate for the construction of the Project and the occupancy thereof.

Section 6. Default

6.1 Events of Default. Each of the following events (hereinafter called an "Event of Default") shall be a default hereunder by the Recipient as described:

6.1.1 Failure by the Recipient to maintain its corporate existence or the declaration of bankruptcy by the Recipient;

6.1.2 The failure of Recipient to comply with Section 2 and Section 3.3 of this Agreement; and

6.1.3 The failure of Recipient to pay annual Real Estate Tax Levy.

6.2 Effect of Event of Default. Subject to Section 6.3 below, in the case of an occurrence of an Event of Default, the Funding provisions of Section 3 of this Agreement shall, at the Authority's option, terminate ninety (90) days after the Authority's notice to Recipient and the State Housing Finance Agency or, the Approved Lender and, as provided herein, the Investor Member, unless

Recipient (or at their option and without any obligation to do so, the Approved Lender or Investor Member) cures the Event of Default to the Authority's satisfaction within such ninety (90) days, and neither the City nor the Authority shall have any further obligation relating thereto and the Recipient shall no longer be eligible for any Funding Payments hereunder. Notwithstanding the foregoing, provided the Authority adheres to the Funding provisions of Section 3 of this Agreement, Recipient's obligations hereunder will remain in force and effect throughout the Funding Period and the Authority shall be entitled to any remedies available at law and equity, including, but not limited to, specific performance. Notwithstanding anything to the contrary contained herein, upon transfer of a portion of the Site to either 501-A Cherry LLC or 501-B Cherry LLC as provided herein, an Event of Default on one building on the Site shall not cause an Event of Default on the other. In other words, non-performance under the terms of the Agreement by 501-A Cherry LLC in connection with the 501A Property will not affect 501-B Cherry LLC's obligations, rights, and privileges under the terms of the Agreement, and non-performance under the terms of the Agreement by 501-B Cherry LLC in connection with the 501B Property will not affect 501-A Cherry LLC's obligations, rights, and privileges under the terms the Agreement.

6.3 Notice and Right to Cure. The Authority will use commercially reasonable efforts to provide written notice of any default by Recipient under this Agreement to any Approved Lender and Investor Member. Each Approved Lender and the Investor Member shall be permitted to cure any default by Recipient under this Agreement. Such Approved Lender and Investor Member shall have the same period for remedying any default or causing the same to be remedied, as is given Recipient after the giving of such notice to Recipient. However, if such cure cannot reasonably be effected within such period, then such reasonable period of time as is necessary not to exceed 120 days provided any Approved Lender and Investor Member has promptly commenced and is diligently pursuing such cure. The Authority agrees to accept payment or performance by any Approved Lender or Investor Member as though the same had been done by Recipient.

Section 7. Recipient Reporting.

The Recipient shall provide, at Recipient's expense, detailed updates and verification reasonably satisfactory to the Authority of Recipient's progress regarding completion of Project construction and, following Project construction, of Recipient's continued compliance with Section of this Agreement.

Section 8. Notices.

Any notices required or permitted under this Agreement shall be given in writing, and shall be deemed to be received five (5) business days after being mailed by first class mail, postage prepaid, return receipt requested, or one (1) business day after being placed for next day delivery with a nationally recognized overnight courier service, or upon receipt when delivered by hand, addressed as follows:

if to the Recipient, to:

Piedmont Housing Alliance
682 Berkmar Circle
Charlottesville, VA 22901

with a copy to:

Doruk Onvural
Klein Hornig LLP.
1325 G Street NW. Ste 770

Washington, D.C. 20005

With copies to the State Housing Finance Agency or Approved Lender at the addresses provided by written notice to the Authority.

if to the City, to:

Office of Economic Development
City of Charlottesville, Virginia
610 E. Market Street
Charlottesville, VA 22902

if to the Authority, to:

Economic Development Authority
of Charlottesville VA – Attn: Exec. Dir.
610 E. Market Street
Charlottesville, VA 22901

with a copy to:

Daniel M. Siegel, Esquire
Sands Anderson PC
P.O. Box 1998
919 E. Main Street
Richmond, VA 23218-1998

Section 9. General Terms and Conditions.

9.1 Entire Agreement; Amendments; Assignments. This Agreement constitutes the entire agreement among the parties hereto and may not be amended or modified, except in writing, signed by each of the parties hereto. Except as specifically provided herein, the Authority reserves the right in its sole discretion to approve any assignment of this Agreement by the Recipient to any individual or entity and, the ownership interests of any such entity must be disclosed to the Authority, and for any Investor Member, must disclose the name of the individual, managing member, or general partner of the Investor Member, who maintains control of such entity or owns more than a 25% interest in the Investor Member. The Authority will have the notice and consent rights with respect to any change of the Recipient stipulated in paragraph (c) below.

- a) Recipient shall have the right to assign its interest in the Site and Project to any future owner, provided the Recipient first shall have complied with the requirements set forth in Section 2.2.1 of this Agreement and shall have submitted to the Authority the form of all instruments by which it purports to make such assignment and shall have obtained the Authority's prior written approval thereof, which approval shall not be unreasonably withheld, in which event the assignor shall be released from all obligations and liabilities under this Agreement and any such assignee shall be bound by all the terms and conditions of this Agreement, including but not limited to the Investment amounts and other requirements set forth in this Agreement.
- b) Recipient shall have the right to grant to the State Housing Finance Agency or an Approved Lender a security interest in, and assignment of, Recipient's rights hereunder as collateral for the loan to be provided by a lender providing funds for the development, acquisition, refinancing, or rehabilitation of the Project, and any action taken by such lender to realize on such security interest or assignment and

performance thereafter shall be deemed permitted under this Agreement, provided the Recipient first shall have submitted to the Authority the form of all instruments by which it purports to grant such security interest and assignment and shall have obtained the Authority's prior written approval thereof, in its sole discretion (a "**Collateral Assignment**"), but no such consent shall be required to the exercise by an Approved Lender or any assignee of an Approved Lender of its right to perform Recipient's obligations hereunder after a default by Recipient under the applicable loan documents.

The Authority agrees that the State Housing Finance Agency (or an Approved Lender) shall not have any liability for any act or omission of Recipient hereunder and shall only be liable hereunder for obligations arising during such time as it is the owner of Recipient's interests in the Site and the Project pursuant to foreclosure, deed in lieu of foreclosure or otherwise.

- c) The Recipient will provide advanced written notice, along with any reasonable documentation requested by the Authority regarding the proposed replacement member manager or managers, and consent rights to the Authority for any change in its corporate structure. Pursuant to the operating agreement of any affiliate of the Recipient, the Investor Member is expected to have certain default rights and remedies with respect to the Recipient. The Authority consents to any such rights of the Investor Member; however, the Investor Member will provide notice of such removal and documentation of any affiliate of the Investor Member that has taken over the roles and responsibilities of the Recipient. The Investor Member will provide advanced written notice of any transfer of such Recipient interests to an unrelated party ("**Proposed MM Transferee**"), which notice will include the corporate resume of such Proposed MM Transferee, including biographies of the principals of such organization, affordable housing experience, and three (3) references, including one reference from a state allocating agency. The Authority will have the right to reasonably consent to such Proposed MM Transferee; however, such consent must be provided within thirty (30) days of receipt of the written notice, and any denial of consent shall include specific reasons therefor. The Authority review should be to confirm the Proposed MM Transferee owns at least five (5) affordable housing properties and has no outstanding IRS 8823 violations, no outstanding HUD REAC violations resulting in HUD "red flags", and is in good standing in the Commonwealth of Virginia and the City on corporate and tax filings. Failure to timely respond as provided above to a request for such consent shall be deemed the consent of the Authority.

9.2 Governing Law; Venue. All issues and questions concerning the construction, enforcement, interpretation and validity of this Agreement, or the rights and obligations of the parties shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. Any and all disputes, claims and causes of action arising out of or in connection with this Agreement, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Charlottesville, Virginia. Each party shall be responsible for

its own attorneys' fees in the event of any litigation or other proceeding arising from this Agreement.

9.3 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument.

9.4 Severability. If any provision of this Agreement is determined to be unenforceable, invalid or illegal, then the enforceability, validity and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

9.5 Subject-to-Appropriations. All payments and other performances by the Authority under this Agreement are subject to City Council's initial approval of acknowledgement and Authority Board's initial approval of this Agreement (both evidenced by their execution of this Agreement) and subject to the annual appropriations by the City Council. It is understood and agreed among the parties that the Authority shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this Agreement. The parties to this Agreement acknowledge that under no circumstances shall the City's or the Authority's total liability under this Agreement exceed the total amount of funds appropriated by the City Council for the payments hereunder for the performance of this Agreement.

9.6 Public Disclosure.

9.6.1 Applicable Law. The parties to this Agreement acknowledge that records maintained by or in the custody of the Authority are subject to the provisions of the Virginia Public Records Act, Va. Code §§ 42.1-76 through 42.1-90.1, and the Virginia Freedom of Information Act, Va. Code §§ 2.2-3700 through 2.2-3714 and thus are subject to the records retention and public disclosure requirements set forth in those statutes.

9.6.2 Challenges to Nondisclosure. If a party submitting records to the Authority requests that those records not be disclosed under applicable law and the Authority consequently denies a request for disclosure of such records based on the submitting party's request, and the Authority's denial of a request for disclosure of records is challenged in court, the submitting party shall indemnify, hold harmless and defend the Authority, its respective officers, directors, agents and employees from any and all costs, damages, fees and penalties (including attorney's fees and other costs related to litigation) relating thereto.

9.7 No Waiver. Neither failure on the part of the Authority to enforce any covenant or provision contained in this Agreement nor any waiver of any right under this Agreement shall discharge or invalidate such covenant or provision or affect the right of the Authority to enforce the same right in the event of any subsequent default.

9.8 Effective Date of the Agreement. The effective date of this Agreement shall be the date upon which it has been fully executed by the parties following approval by City Council and by the Authority's Board.

9.9 No Partnership or Joint Venture. It is mutually understood and agreed that nothing contained in this Agreement is intended or shall be construed in any manner or under any circumstance whatsoever as creating and establishing the relationship of copartners or creating or

establishing a joint venture between or among any of the parties or as designating any party to the Agreement as the agent or representative of any other party to the Agreement for any purpose.

9.10 No Third Party Beneficiaries. Except as specified in any Collateral Assignment and as specified herein, the parties agree that (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Agreement; (ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the City, the Authority, an Approved Lender, and the Recipient; (iii) no other individual or entity shall obtain any right to make any claim against the City, the Authority, or the Recipient under the provisions of this Agreement unless pursuant to a Collateral Assignment; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity.

9.11 Signature Authority. Except as specifically otherwise set forth in this Agreement, the Authority Chair or the designee thereof may provide any authorization, estoppels, approvals, and notices contemplated herein on behalf of the Authority and the City.

IN WITNESS WHEREOF, the parties hereto have executed this Performance Agreement as of the date first written above.

Piedmont Housing Alliance
a Virginia non-profit corporation

By: _____
Sunshine Mathon, Executive Director

**ECONOMIC DEVELOPMENT
AUTHORITY OF THE CITY OF
CHARLOTTESVILLE,
VIRGINIA,**
a political subdivision of the
Commonwealth of Virginia

By: _____
Chairman Date

Approved as to Form:

By: _____
General Counsel to the Authority

**ACKNOWLEDGED BY
THE CITY OF CHARLOTTESVILLE, VIRGINIA**

By: _____
City Manager

Approved as to Form:

By: _____
City Attorney's Office

EXHIBIT B

Affordable Housing Schedule

The following are the affordability restrictions for the 501A Property and 501B Property respectively.

At a minimum, the 501A Property shall restrict occupancy and rents to: (i) 4 units for households with incomes at or below 30% of the Charlottesville Area Median Income (AMI), (ii) 11 units for households with incomes at or below 50% AMI and (iii) 25 units for households with incomes at or below 60% of AMI according to standards promulgated by the State Housing Finance Agency, and subject to the conditions in the form Extended Use Agreement required by the State Housing Finance Agency for tax credit financing. For so long as the City provides rental assistance, 5 of the 60% units will be restricted for households with incomes at or below 40% AMI.

At a minimum, the 501B Property shall restrict occupancy and rents to: 31 units for households with incomes at or below 60% of the AMI according to standards promulgated by the State Housing Finance Agency, and subject to the conditions in the form Extended Use Agreement required by the State Housing Finance Agency for tax credit financing. For so long as the City provides rental assistance, 5 of the 60% units will be restricted for households with incomes at or below 40% AMI.

**RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF CHARLOTTESVILLE, VIRGINIA
APPROVING THE FISCAL YEAR 2027 BUDGET**

WHEREAS, the Economic Development Authority of the City of Charlottesville, Virginia **(the “Authority”)**, a political subdivision of the Commonwealth of Virginia **(the “Commonwealth”)**, is empowered under the Industrial Development and Revenue Bond Act, Title 15.2, Chapter 49 of the Code of Virginia of 1950, as amended **(the “Act”)** to, among other things, promote industry and develop trade in the City of Charlottesville, Virginia **(the “City”)** by encouraging and inducing nonprofit organizations and commercial enterprises to commit resources to locate or remain in the City, accept contributions, grants and other financial assistance from the City for authority facilities, and make grants to any person, partnership, association, corporation, business, or governmental entity for the purposes of promoting economic development in the City; and

WHEREAS, there has been presented to this meeting a discussion of the proposed FY 27 Authority budget (beginning on July 1, 2026 and ending on June 30, 2027), including the Authority’s intent to fund its stated obligations and support, with matching funds, programs that enhance economic capacity and include collaboration between the private-sector, non-profit sector and local governments

NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHARLOTTESVILLE, VIRGINIA:

The Authority finds and determines that the FY 27 Authority budget as presented is consistent with the purposes of the Act and the adopted mission of the Authority, and that, unless amended by the Authority, the Authority wishes to proceed with the funding plan as adopted.

ADOPTED: March 10, 2026

APPROVED: _____
Secretary, Economic Development Authority
of the City of Charlottesville, Virginia

**CHARLOTTESVILLE ECONOMIC DEVELOPMENT AUTHORITY
FY 2027 BUDGET**

	GL Codes	Adopted FY 2023	Adopted FY 2024	Adopted FY 2025	Adopted FY 2026	Proposed FY 2027
REVENUES						
EDA Admin Fees	434280	\$ 22,500.00	\$ 15,000.00	\$ 16,500.00	\$ 16,500.00	\$ 54,000.00
SNL Rent Payment	450030	\$ 240,000.00	\$ 240,000.00	\$ 240,000.00	\$240,000.00	\$240,000.00
Charlottesville Pavilion Loan Payment-\$2.4	451090	\$ 170,886.00	\$ 170,886.00	\$ 170,886.00	\$170,886.00	\$170,886.00
Charlottesville Pavilion - Ticket Surcharge Remittance		\$ -	\$ -	\$ -	\$ -	\$ -
Charlottesville Pavilion - Maintenance Fund Deposit		\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance Fund Deposit - Interest Earned		\$ -	\$ -	\$ -	\$ -	\$ -
Charlottesville Pavilion Rent	450030	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Performance Agreements		\$ 300,000.00	\$ 300,000.00	\$ 500,000.00	\$250,000.00	\$250,000.00
Reserves		\$ 47,016.00	\$ 37,016.00	\$ 36,016.00	\$ 26,016.00	\$ -
TOTAL REVENUES		\$ 780,502.00	\$ 763,002.00	\$ 963,502.00	\$ 703,502.00	\$ 714,986.00
EXPENDITURES						
Project Reserves	530550	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00
Contribution to the City for Administration	561105	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$100,000.00	\$ 70,000.00
Programs						
GO Start Up Program (I/O 2000119)	530670	\$ 50,000.00	\$ 20,000.00	\$ 18,000.00	\$ 18,000.00	\$ 20,000.00
Cville Match Program (I/O 2000120)	530670	\$ 62,500.00	\$ 75,000.00	\$ 62,500.00	\$ 50,000.00	\$ 50,000.00
GO Hire Program (I/O 2000128)	530670	\$ 50,000.00	\$ 25,000.00	\$ 30,000.00	\$ 50,000.00	\$ 60,000.00
Matching Funds - GO Virginia etc. (I/O 2000143)		\$ 150,000.00	\$ 175,000.00	\$ 175,000.00	\$150,000.00	\$160,000.00
EDSP Programing		\$ 10,000.00	\$ 10,000.00	\$ 15,000.00	\$ 20,000.00	\$ 20,000.00
Education & Training	530570	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 2,000.00	\$ 2,000.00
Marketing	530580	\$ 20,000.00	\$ 20,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
Legal Fees	530070	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
Research	530520	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Supplies	520010	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 984.00
Audit Fees	530010	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 12,000.00	\$ 12,000.00
Rent to City for Amphitheater	530160	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Rent to City for SNL Building	530160	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Performance Agreements		\$ 300,000.00	\$ 300,000.00	\$ 500,000.00	\$250,000.00	\$250,000.00
TOTAL EXPENDITURES		\$ 780,502.00	\$ 763,002.00	\$ 963,502.00	\$ 703,502.00	\$ 714,986.00