



**Economic Development Authority of the City of Richmond
Meeting Notice – October 17, 2022**

- WHAT:** The City of Richmond’s Economic Development Authority will hold its **October Real Estate Committee Meeting**
- WHEN:** Monday, October 17, 2022 at 9:00 AM
- WHERE:** Main Street Station, 1500 East Main Street, 3rd Floor Conference Room

**ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY
OF RICHMOND**

Real Estate Committee Agenda

October 17, 2022, 9:00 AM

- I. Call to Order
- II. Public Meeting Disclosure
- III. Meeting Minutes (August, 2022)
- IV. Public Comment (5 minutes)
- V. New Business
- VI. Executive Session
- VII. Old Business
- VIII. Adjournment

Economic Development Authority (EDA) of the City of Richmond, Virginia
Real Estate Committee Minutes
Wednesday, August 25, 2022

Members present:

Neil Millhiser, Chairperson
Jer'Mykeal McCoy
Nathan Hughes
Nupa Agarwal

Others present:

Bonnie Ashley – City of Richmond
Carla Childs - City of Richmond, Department of Economic Development
Leonard Sledge – City of Richmond, Department of Economic Development
Mike Platania– Richmond BizSense

Call to Order:

Mr. Millhiser called the meeting to order at 4:00 PM. Ms. Childs recorded the meeting using Microsoft Teams.

Public Comment:

No public comments were received via email, phone, or otherwise by staff per Ms. Childs.

Approval of Minutes of the Previous Meeting:

Mr. Millhiser asked for a motion to adopt the minutes of the April 21, 2022 Committee meeting. Mr. Hughes moved to accept the minutes, Ms. Agarwal second the motion. The Motion passed unanimously

New Business:

Mr. Sledge gave an update on the Leigh Street Training Camp facility and the City Center Project. A copy of the presentation was submitted for the minutes.

Ms. Ashley presented to the committee a Notice and Consent to Transaction and Change of Control relating to the purchase of Stone Brewing Co., LLC by Sapporo U.S.A. Mr. McCoy made a motion to approve the Notice of and Consent to Transaction and Change Control relating to the purchase of Stone Brewing Co., LLC. Mr. Hughes second the motion. The motion was approved unanimously and will be presented to the full EDA Board for approval. A copy of the letter is included in the minutes.

Adjournment

The meeting adjourned at 10:10 AM

Respectfully submitted:

Secretary to the meeting

Approved:

John Molster, Chair



Economic Development Authority
City of Richmond

Richmond EDA Real Estate Holdings Update

Real Estate Committee

Leonard Sledge
August 24, 2022

Leigh Street Training Camp Facility

- As of May 25, 2022 outstanding debt is \$8.086M
- March 1, 2023 payment due in the amount of \$615K
- General Obligation Bond issued by the City of Richmond to finance the development
- Planning assumption is there is a low probability that the facility will continue to be used as an NFL training camp facility
- Contract with ASM to manage the facility expires at the end of 2022
- Key considerations:
 - Ground lease with the Commonwealth of Virginia – 20 year initial term plus 4 10-year renewal options; current ground lease is \$40,560 annually
 - Bon Secours lease with the EDA – 1st floor lease July 2023 with a high probability that the lease will be renewed; 2nd floor lease is on a month to month term; Bon Secours desire to extend the 2nd floor lease to align the dates with the 1st floor lease



Economic Development Authority
City of Richmond

City Center

- City Council and the EDA approved the Cooperation Agreement for the EDA to lead the solicitation process to select a development team for the redevelopment project
- Richmond Redevelopment and Housing Authority passed a resolution to transfer the Blues Armory and other parcels to the EDA
- Staff is working with legal counsel on the deed transfers
- Collaboration with the Greater Richmond Convention Center Authority (GRCCA) to issue a joint solicitation to further our joint interest in a headquarters hotel development in City Center
- Draft of the solicitation is being finalized and will be presented to the Committee and Board for approval
- Target date to issue the joint solicitation is early Fall 2022 following the rezoning of City Center
- The proposed Evaluation Committee will consist of a member of the Real Estate Committee, EDA staff, City staff, and representatives from the GRCC Hotel Task Force



Economic Development Authority
City of Richmond



RECEIVED

AUG 05 2022

OFFICE OF THE CITY ATTORNEY

July 29, 2022

VIA CERTIFIED MAIL

Economic Development Authority, City of Richmond
501 East Franklin Street, Suite 100
Richmond, Virginia 23219
Attention: Chair

With a copy to:
Department of Economic and Community Development,
City of Richmond
1500 E. Main Street
Richmond, Virginia 23219
Attention: Deputy Director and Chief Operating Officer

✓ Bonnie M. Ashley, Esq.
Deputy City Attorney
City of Richmond
900 East Broad Street, Room 300
Richmond, VA 23219
Telephone: (804) 646-3385
Email: Bonnie.Ashley@richmondgov.com

E. Duffy Myrtetus, Esq.
Kaufman & Canoles, P.C.
Two James Center
1021 East Cary Street, Suite 1400
Richmond, Virginia 23219
Telephone: (804) 467-4962
Email: edmyrtetus@kaufcan.com

Re: Notice of and Consent to Transaction/Change of Control

To Whom It May Concern:

As you are aware, Economic Development Authority of the City of Richmond, Virginia (“you” or “your”), and Stone Brewing Co., LLC (“Stone”), are parties to that certain Deed of Lease Agreement, between Economic Development Authority of the City of Richmond, Virginia and KoochenVagner’s Brewing Co. d/b/a Stone Brewing Co., dated March 11, 2015, as amended by the First Lease Amendment, dated April 24, 2015, as further amended by the Second Lease Amendment, dated May 8, 2015, as further amended by the Third Lease Amendment, dated May 22, 2015, as further amended by the Fourth Lease Amendment, dated May 28, 2015, as further amended by the Fifth Lease Amendment, dated October 23, 2015, as further amended by the Sixth Lease Amendment, dated February 19, 2016 (the “Agreement”). Stone intends to enter into a transaction that will result in a change of ownership of Stone and a transfer of Stone’s distribution business to a newly-established

STONE BREWING CO.

1999 Citracado Parkway, Escondido, CA 92029

PHONE 760.294.7899 | FAX 760.294.7898 | www.stonebrewing.com



STONE
BREWING CO.

subsidiary of the current parent company of Stone (the “Transaction”). The closing of the Transaction (the “Closing”) is expected to occur on or around August 2022, pending satisfaction of certain closing conditions, and, upon the Closing, all of the ownership interests in Stone will be owned by Sapporo U.S.A., Inc. The date on which the Closing of the Transaction actually occurs is herein referred to as the “Closing Date.” After the Closing, Stone will remain a party to the Agreement, and will continue to perform under the Agreement in accordance with, and subject to, the terms of the Agreement.

Under Section 20.1 of the Agreement, your written consent may be required to be obtained in connection with consummation of the Transaction. Except as expressly set forth herein, nothing contained in this letter agreement shall in any way supersede, modify, rescind, waive, or in any way affect any of the provisions of the Agreement, including, without limitation, the covenants, agreements, rights and remedies of the parties set forth therein.

In connection with the foregoing, please confirm your consent to the Transaction, and your acknowledgment and agreement that (i) consummation of the Transaction will not constitute a breach or default under the Agreement, (ii) all notice requirements or other obligations of Stone under the Agreement with respect to the Transaction have been satisfied or waived, and (iii) you are expressly waiving any termination or other rights that may be triggered as a result of consummation of the Transaction, by having a duly authorized person sign this letter agreement below and returning it as soon as possible by email to:

Sean Monahan
1999 Citracado Parkway
Escondido, CA 92029
Sean.monahan@stonebrewing.com

with a copy to our counsel by email at:

Josh Weiss
1999 Citracado Parkway
Escondido, CA 92029
joshua.weiss@stonebrewing.com

By your execution hereof, you hereby consent to the Transaction, and acknowledge and agree that (i) the consummation of the Transaction shall not constitute a default under or breach of the Agreement, (ii) all notice requirements or other obligations of Stone under the Agreement with respect to the Transaction have been satisfied or waived, and (iii) you are expressly waiving any termination or other rights that may be triggered as a result of consummation of the Transaction. Your consent, acknowledgment and agreement shall be effective on the Closing Date, and, if the Closing does not occur, such consent, acknowledgment and agreement shall be of no force or effect. If you have any questions regarding this letter agreement or the Transaction, please do not hesitate to contact us. We appreciate your earliest attention to this matter.

Sincerely,

STONE BREWING CO., LLC

DocuSigned by:

Maria Stipp

C727AE9FE25496...

Maria Stipp

Chief Executive Officer

STONE BREWING CO.

1999 Citracado Parkway, Escondido, CA 92029

PHONE 760.294.7899 | FAX 760.294.7898 | www.stonebrewing.com



STONE
BREWING CO.

Acknowledged, agreed and consented to as of _____, 2022:

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

By: _____

Name: _____

Title: _____

STONE BREWING CO.

1999 Citracado Parkway, Escondido, CA 92029

PHONE 760.294.7899 | FAX 760.294.7898 | www.stonebrewing.com