



**Economic Development Authority of the City of
Richmond Special Called Meeting Notice – May 29, 2024**

WHAT: The City of Richmond’s Economic Development Authority will hold a **Special Called Meeting**.

WHEN: Wednesday, May 29, 2024, at 4:00 P.M.

WHERE: Main Street Station, 1500 East Main Street, 3rd floor Conference Room

CONTACT: Glenna Chung at (804) 646-1507 or Glenna.Chung@rva.gov.

For more information about The City of Richmond’s Economic Development Authority (EDA),
Visit: <http://www.richmondeda.com>

Agenda

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND
SPECIAL CALLED MEETING MAY 29, 2024 AGENDA

- I. Call to Order
 - A. Public Meeting Disclosure
- II. Comment (Maximum of Three Minutes Per Person)
- III. Meeting Minutes
 - A. Meeting Minutes – April Special Called Meeting
 - B. Meeting Minutes – May Special Called Meeting
- IV. New Business
 - A. Approval of March and April Financial Reports
 - B. Cooperation Agreement between the EDA and the City of Richmond for the Development of the Diamond District
 - C. Authorize the Issuance of Bonds to Finance the Infrastructure for Phase 1 of the Diamond District Development
 - D. Diamond District Escrow Agreement
 - E. Lease Amendments between the EDA and Bon Secours for the Training Camp Facility
 - F. Assignment and Assumption of the Ground Lease between the EDA and the Commonwealth of Virginia for the Training Camp Facility
- V. Report of the Officers
 - A. Report of the Chairman
 - B. Report of the Secretary
 - 1. FY24 EDA Audit
- VI. Other Business
- VII. Adjournment

Upcoming Meetings

EDA Board Committee Meeting – June 27, 2024

April Meeting Minutes

Economic Development Authority (EDA) of the City of Richmond, Virginia
Special Called Meeting Minutes
Tuesday, April 16, 2024

DRAFT

Members present:

John Molster, Chair*
Nupa Agarwal, Vice-Chair
Jer'Mykeal McCoy
Jéron Crooks
Nathan Hughes
Neil Millhiser

Others present:

Bonnie Ashley – City of Richmond, City Attorney's Office
Lincoln Saunders – City of Richmond, Chief Administrative Officer's Office
Sharon Ebert – City of Richmond, Chief Administrative Officer's Office
Leonard Sledge – Department of Economic Development
Jacquelyn Craft – Department of Economic Development
Jonathan Spiers – BizSense

*Participated virtually

Call to Order:

Ms. Agarwal called the meeting to order at 5:12pm and Ms. Craft started recording the meeting.

Virtual Participation:

Ms. Agarwal announced John Molster's request to participate remotely from New York City due to a business meeting.

Mr. Sledge requested the Board to consider a motion to approve Mr. Molster's virtual participation in the Economic Development Authority's Special Called Meeting held on April 16, 2024. Ms. Agarwal made the motion. Mr. McCoy seconded the motion. Mr. Molster did not vote. The motion passed unanimously. Mr. Molster then participated in the meeting from New York City due to a personal matter, specifically the need to be in the remote location due to a business meeting.

Public Comments:

No public comments were received via email, phone, or otherwise by staff. Mr. Sledge read the public disclaimer.

New Business:

CoStar State Infrastructure Memorandum of Understanding Agreement – Mr. Leonard Sledge

Mr. Sledge requested the Board to consider a motion to authorize the Board Chair to execute a Memorandum of Understanding Property Analytics Firm Infrastructure Grant Program between the City of Richmond, the Commonwealth of Virginia, CoStar Realty Information, Inc., the Virginia Economic Development Partnership Authority, and the Economic Development Authority of the City of Richmond for the purpose of providing CoStar Realty Information, Inc., with incentives for the development of infrastructure of existing and planned facilities at its regional headquarters located at 501 South 5th Street and 600 Tredegar Street in the city of Richmond, pending City Council approval. Mr. McCoy made the motion. Ms. Agarwal seconded the motion. The motion passed unanimously.

CoStar Local Property Tax Grant Performance Agreement – Mr. Leonard Sledge

Mr. Sledge requested the Board to consider a motion to authorize the Board Chair to execute a Property Tax Grant Performance Agreement between the City of Richmond, CoStar Realty Information, Inc., and the Economic Development Authority of the City of Richmond for the purpose of providing a grant to CoStar Realty Information, Inc., to expand, equip, improve, and operate its regional headquarters located at 501 South 5th Street and 600 Tredegar Street in the city of Richmond, pending City Council approval. Mr. Crooks made the motion. Mr. Hughes seconded the motion. The motion passed unanimously.

Diamond District Financing and Update – Ms. Sharon Ebert

Ms. Ebert gave a brief overview of the Diamond District, followed by a few updates.

The Flying Squirrels are now managing the design and construction of the stadium through contracts with ODELL and Machete. The development team has changed from RVA Diamond Partners LLC to Diamond District Partners LLC.

The City is recommending, based on advice from our independent financial advisor, using a City Special Revenue Bond approach, instead of a Community Development Authority (CDA) revenue bond approach to finance the Flying Squirrels' baseball stadium and Phase One infrastructure (includes the public park, streets, and utilities). This new approach will reduce costs by an estimated \$215 million over 30 years, because of a decreased interest rate. It will also secure an additional ~\$24 million by utilizing the currently available state sales tax incentive program, prior to its expiration on July 1st.

Mr. Sledge requested the Board to consider a motion to authorize the Board Chair, in consultation with the Executive Director and Legal Counsel, to execute an amended letter agreement with Navigators Baseball LP to advance design of the stadium thru May 2024 and provide an additional \$1.5 million in funding for design costs. Mr. Hughes made the motion. Mr. Molster seconded the motion. The motion passed unanimously.

Approval of Minutes of the Previous Meeting:

Mr. Sledge requested the Board to consider a motion to adopt the minutes of the March 28, 2024, Board Meeting as stated. Mr. Molster moved to accept the minutes. Mr. Crooks seconded the motion. Mr. Millhiser abstained as he was not at the March 28th meeting. The motion passed.

Report to the Officers:

Report of the Chairman – Mr. John Molster

Mr. Molster expressed gratitude for Mr. Sledge's leadership and contribution to the EDA.

Report of the Secretary – Mr. Leonard Sledge

Mr. Sledge did not have any updates to report.

Other Business:

No other business discussed.

Adjournment:

The meeting adjourned at 6:02pm and Ms. Craft stopped recording.

Respectfully submitted:

Secretary to the meeting

Approved:

John Molster, Chair

May Meeting Minutes

Economic Development Authority (EDA) of the City of Richmond, Virginia
Special Called Meeting Minutes
Tuesday, May 15, 2024

DRAFT

Members present:

John Molster, Chair
Nupa Agarwal, Vice-Chair
Jer'Mykeal McCoy
Jéron Crooks
Nathan Hughes

Others present:

Bonnie Ashley – City of Richmond, City Attorney's Office
Lincoln Saunders – City of Richmond, Chief Administrative Officer's Office
Sharon Ebert – City of Richmond, Chief Administrative Officer's Office
Leonard Sledge – Department of Economic Development
Katie McConnell – Department of Economic Development
Glenna Chung – Department of Economic Development
Lisa Jones – A. G. Reese & Associates
John O'Neill – Hunton Andrews Kurth LLP
Brendan Staley – Hunton Andrews Kurth LLP
Jason Guillot – Thalhimer Realty Partners
Jonathan Spiers – BizSense

Call to Order:

Mr. Molster called the meeting to order at 5:02pm and Ms. Chung started recording the meeting.

Public Comments:

No public comments were received via email, phone, or otherwise by staff. Mr. Sledge read the public disclaimer.

New Business:

Diamond District Development Agreement – Ms. Sharon Ebert

Ms. Ebert gave an overview of the development plan for Phase 1. The full build out of Phase 1 is estimated to take 8-10 years.

Mr. Sledge requested the Board to consider a motion to authorize the Chair to execute the Diamond District Redevelopment Project Purchase and Sale and Development Agreement by and between the City of Richmond, Virginia, Diamond District Partners, LLC, and the Economic Development Authority of the City of Richmond, Virginia, for the purpose of providing for the financing, construction, maintenance, and operation of public improvements and private development within an area generally known as the Diamond District along North Arthur Ashe Boulevard and Hermitage Road. Ms. Agarwal made the motion. Mr. McCoy seconded the motion. The motion passed unanimously.

Report of the Officers:

Report of the Chairman – Mr. John Molster

Mr. Molster thanked the entire team for their hard work.

Report of the Secretary – Mr. Leonard Sledge

Mr. Sledge shared that Mr. McCoy was reappointed by City Council to serve another term on the EDA Board. City Council also approved the FY25 budget.

Other Business:

No other business discussed.

Adjournment:

The meeting adjourned at 5:42pm and Ms. Chung stopped recording.

Respectfully submitted:

Secretary to the meeting

Approved:

John Molster, Chair

EDA March Financial Report

Economic Development Authority-Operations
Balance Sheet Prev Year Comparison
As of March 31, 2024

DRAFT

	Mar 31, 24	Mar 31, 23
ASSETS		
Current Assets		
Checking/Savings		
10200 · FCB #7709 Savings	1,149,520.25	1,245,143.74
10300 · Towne Bank Savings	50,801.50	50,776.06
10450 · Well Fargo #7155 Checking	599,904.25	194,961.45
10500 · Restricted Checking/Savings		
10501.1 · FCB 8605 Facade/Vent	63,526.57	88,993.38
10502 · C&F Bank #3929 Tobacco Rowe	140,440.70	117,842.06
10505 · Wells Fargo #0731 Grants	566,373.40	959,966.84
10509 · EDA-Hull Street Facade Program	250,104.73	0.00
10510 · EDA Triple A Grant Program	199,696.86	0.00
10511 · Enterprise Zone Program	175,218.48	0.00
Total 10500 · Restricted Checking/Savings	1,395,360.74	1,166,802.28
Total Checking/Savings	3,195,586.74	2,657,683.53
Accounts Receivable		
11000 · Accounts Receivable	6,800.00	268,942.00
Total Accounts Receivable	6,800.00	268,942.00
Other Current Assets		
112000 · Due from City of Richmond	0.00	119,692.23
14000 · Prepaid Expenses	1,649.36	49,182.78
Total Other Current Assets	1,649.36	168,875.01
Total Current Assets	3,204,036.10	3,095,500.54
Fixed Assets		
15000 · Furniture and Equipment	3,168.47	3,168.47
17000 · Accumulated Depreciation	-1,108.80	-475.20
Total Fixed Assets	2,059.67	2,693.27
Other Assets		
17500 · Website		
17500.1 · Accumulated Amortization-Websit	-33,237.00	0.00
17500 · Website - Other	126,895.00	0.00
Total 17500 · Website	93,658.00	0.00
18000 · Investment City Center	13,173,606.89	0.00
18100 · Investment Diamond District	245,578.42	0.00
19000 · Leigh St / Westhampton	-200.00	0.00
19100 · Net Invest.-Cap Lease Rec-Curre		
19100.1 · Current-Capital Lease Rec	22,000.00	22,000.00
19100.2 · Current Portion Unearned Int	-12,841.08	-13,134.00
Total 19100 · Net Invest.-Cap Lease Rec-Curre	9,158.92	8,866.00
19500 · Net Investment on Capital Lease		
19500.1 · Capital Lease Receivable	550,000.00	594,000.00
19500.2 · Unearned Int on Capital Lease	-191,899.92	-226,741.00
Total 19500 · Net Investment on Capital Lease	358,100.08	367,259.00
Total Other Assets	13,879,902.31	376,125.00

Economic Development Authority-Operations
Balance Sheet Prev Year Comparison
As of March 31, 2024

DRAFT

	Mar 31, 24	Mar 31, 23
TOTAL ASSETS	17,085,998.08	3,474,318.81
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
27000 · Accounts Payable	10,878.16	0.00
20000 · Other Accounts Payable	5,422.71	965.60
Total Current Liabilities	16,300.87	965.60
Total Liabilities	16,300.87	965.60
Equity		
39002 · Intercompany Transfer	500,000.00	-372,626.00
39005 · Retained Earnings	16,229,102.30	4,189,882.35
Net Income	340,594.91	-343,903.14
Total Equity	17,069,697.21	3,473,353.21
TOTAL LIABILITIES & EQUITY	17,085,998.08	3,474,318.81

**Economic Development Authority-Operations
Profit & Loss Budget Performance
March 2024**

	Mar 24	Mar 23	\$ Over PY	YTD 24	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense							
Income							
40800 · Restricted Interest Income	62.03	56.36	251.96	581.69	22,500.00	-21,918.31	30,000.00
41200 · Grants	0.00	0.00	0.00	1,551,514.59	928,771.50	622,743.09	1,238,362.00
41220 · Grants (non-city)	0.00	0.00	0.00	700,000.00	525,000.00	175,000.00	700,000.00
41225 · Grants-Façade Program	0.00	0.00	0.00	0.00	150,000.00	-150,000.00	200,000.00
41400 · Contributed Asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41700 · Administrative Fee	0.00	0.00	0.00	76,000.00	33,750.00	42,250.00	45,000.00
42000 · Administrative Loan Fee Income	3,000.00	3,000.00	0.00	27,000.00	27,000.00	0.00	36,000.00
42300 · Annual Bond Administrative Fee	0.00	1,171.04	-1,171.04	20,000.00	15,000.00	5,000.00	20,000.00
42400 · Grant Management Fee	0.00	0.00	0.00	2,500.00	0.00	2,500.00	0.00
42800 · Interest Income	865.21	716.75	148.46	9,440.42	22,500.00	-13,059.58	30,000.00
43000 · Parking Lot Rental Income	0.00	0.00	0.00	0.00	22,000.00	-22,000.00	22,000.00
43100 · Interest on Capital Lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	3,927.24	4,944.15	-1,016.91	2,387,036.70	1,746,521.50	640,515.20	2,321,362.00
Expense							
60100 · Grants-Econ Dev Incentives	0.00	0.00	0.00	1,051,514.60	928,771.50	122,743.10	1,238,362.00
60115-Grants Triple A	0.00	0.00	0.00	475,295.00	525,000.00	-49,705.00	700,000.00
60200-Grants-Façade	0.00	0.00	0.00	25,590.81	150,000.00	-124,409.19	200,000.00
60400 · Bank Service Charges	35.00	89.59	-54.59	1,695.43	3,750.00	-2,054.57	5,000.00
60500 · Grants-Enterprise Zone	53,038.68	0.00	53,038.68	192,777.22	0.00	192,777.22	0.00
60600 · Grants-Infrastructure	0.00	0.00	0.00	30,000.00	0.00	30,000.00	0.00
61300 · Bad debt expense	119,692.23	0.00	119,692.23	119,692.23	0.00	119,692.23	0.00
61700 · Computer & Internet Expenses	0.00	0.00	0.00	549.00	1,500.00	-951.00	2,000.00
61900 · Contingency fund	0.00	0.00	0.00	0.00	3,750.00	-3,750.00	5,000.00
6240- · Depreciation	52.80	52.80	0.00	475.20	750.00	-274.80	1,000.00
6250 · Due & Memberships	0.00	0.00	0.00	6,325.00	3,750.00	2,575.00	5,000.00
62550 · Accounting Services	3,000.00	3,000.00	0.00	27,000.00	30,000.00	-3,000.00	40,000.00
62552 · Audit Services	0.00	0.00	0.00	34,908.00	31,500.00	3,408.00	42,000.00
63300 · Insurance Expense							
63300.1 · Board Insurance	206.16	206.16	0.00	1,880.44	1,875.00	5.44	2,500.00
63300.2 · Insurance-Laurel /Stoney Point	429.33	429.33	0.00	3,863.97	3,750.00	113.97	5,000.00
Total 63300 · Insurance Expense	635.49	635.49	0.00	5,744.41	5,625.00	119.41	7,500.00
64100 · Legal Expense	0.00	0.00	0.00	0.00	9,375.00	-9,375.00	12,500.00
64200 · Marketing							
64200.1 · Web Hosting	1,299.00	20.00	1,279.00	11,691.00	15,000.00	-3,309.00	20,000.00
64200 · Marketing - Other	3,693.00	0.00	3,693.00	36,586.16	7,500.00	29,086.16	10,000.00
Total 64200 · Marketing	4,992.00	20.00	4,972.00	48,277.16	22,500.00	25,777.16	30,000.00
64300 · Meals and Entertainment	4,331.97	0.00	4,331.97	14,294.14	7,500.00	6,794.14	10,000.00
64400 · Miscellaneous Expense	0.00	0.00	0.00	0.00	1,125.00	-1,125.00	1,500.00
64900 · Office Supplies	0.00	0.00	0.00	165.53	375.00	-209.47	500.00
66700 · Professional Fees	0.00	0.00	0.00	0.00	9,375.00	-9,375.00	12,500.00
67200 · Repairs and Maintenance	0.00	0.00	0.00	535.00	0.00	535.00	0.00
67800.7 · Workmans Comp Insurance	58.66	80.40	-21.74	527.94	750.00	-222.06	1,000.00
68400 · Meetings expense	6,725.27	3,450.00	3,275.27	9,553.88	0.00	9,553.88	5,000.00
68500 · Travel	0.00	0.00	0.00	203.20	1,500.00	-1,296.80	2,000.00
68600 · Utilities	233.28	0.00	233.28	922.04	0.00	922.04	0.00
68600.1 · Internet Service	44.00	44.00	0.00	396.00	375.00	21.00	500.00
Total Expense	192,839.38	7,372.28	185,467.10	2,046,441.79	1,737,271.50	309,170.29	2,321,362.00
Net Ordinary Income	-188,912.14	-2,428.13	-186,484.01	340,594.91	9,250.00	331,344.91	0.00
Net Income	-188,912.14	-2,428.13	-186,484.01	340,594.91	9,250.00	331,344.91	0.00

EDA City of Richmond-Stone Brewery
Balance Sheet Prev Year Comparison
As of March 31, 2024

DRAFT

	Mar 31, 24	Mar 31, 23
ASSETS		
Current Assets		
Checking/Savings		
10100 · Wells Fargo #2828	3,021,348.46	3,193,482.26
11000 · Accounts Receivable	17,000.19	-128,022.00
14000 · Prepaid Expenses	392.13	402.39
Total Current Assets	3,038,740.78	3,065,862.65
Fixed Assets		
15602 · CIP- Ston Brewery	0.00	34,410.86
15603 · Building Improvements	83,625.00	83,625.00
16900 · Land	621,644.51	621,644.51
17000 · Accumulated Depreciation	-3,832.62	-1,742.10
Total Fixed Assets	701,436.89	737,938.27
Other Assets		
19000 · Net Invest-Cap Lease Rec-Curret		
19000.1 · Current-Capital Lease Receivabl	290,044.38	435,066.57
19000.2 · Current Portion Unearned int	-93,614.12	-290,657.63
Total 19000 · Net Invest-Cap Lease Rec-Curret	196,430.26	144,408.94
19500 · Net Investment on Capital Lease		
19500.1 · Capital Lease Receivable	29,584,526.97	31,324,793.25
19500.2 · Unearned Int on Capital Lease	-11,178,170.48	-12,318,376.65
Total 19500 · Net Investment on Capital Lease	18,406,356.49	19,006,416.60
Total Other Assets	18,602,786.75	19,150,825.54
TOTAL ASSETS	22,342,964.42	22,954,626.46
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
2000 · Accounts Payable	1,687.50	0.00
23100 · Accrued Interest Payable	228,102.37	235,360.84
25000 · Current Portion of Rec. Grant	750,000.00	730,000.00
Total Current Liabilities	979,789.87	965,360.84
Long Term Liabilities		
27200 · Recoverable Grant Payable		
27200.1 · Recoverable Grant Payable	17,635,000.00	18,385,000.00
Total Liabilities	18,614,789.87	19,350,360.84
Equity		
32000 · Retained Earnings	3,786,883.62	3,246,256.90
39002 · Intercompany Transfer	-500,000.00	0.00
Net Income	441,290.93	358,008.72
Total Equity	3,728,174.55	3,604,265.62
TOTAL LIABILITIES & EQUITY	22,342,964.42	22,954,626.46

EDA City of Richmond-Stone Brewery Profit & Loss Budget Performance

March 2024

DRAFT

	Mar 24	Mar 23	YTD 24	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense						
Income						
42800 · Interest Income	2,466.14	1,575.55	20,493.42	11,250.00	9,243.42	15,000.00
43000 · Interest on Capital Lease	188,005.19	97,370.87	950,195.27	855,154.63	95,040.64	1,140,206.17
Total Income	190,471.33	98,946.42	970,688.69	866,404.63	104,284.06	1,155,206.17
Expense						
62400 · Depreciation Expense	174.21	174.21	1,567.89	1,567.89	0.00	2,090.52
63300 · Insurance Expense	389.08	402.38	3,501.72	5,250.00	-1,748.28	7,000.00
63500 · Bank Fees	0.00	0.00	0.00	75.00	-75.00	100.00
66100 · Interest Expense-Bond	57,025.60	58,840.21	513,230.25	516,159.38	-2,929.13	688,212.50
66700 · Professional Fees	0.00	0.00	0.00	15,000.00	-15,000.00	20,000.00
67200 · Repairs and Maintenance	0.00	0.00	1,710.40	22,500.00	-20,789.60	30,000.00
67500 · Roof Expense	1,687.50	0.00	9,387.50	22,500.00	-13,112.50	30,000.00
Total Expense	59,276.39	59,416.80	529,397.76	583,052.27	-53,654.51	777,403.02
Net Ordinary Income	131,194.94	39,529.62	441,290.93	283,352.36	157,938.57	377,803.15
Other Income/Expense						
Other Income						
70200 · Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Income	0.00	0.00	0.00	0.00	0.00	0.00
Net Other Income						
Net Income	131,194.94	39,529.62	441,290.93	283,352.36	157,938.57	377,803.15

ECONOMIC DEVELOPMENT AUTHORITY-LEIGH ST OPERATING ACCT
Balance Sheet Prev Year Comparison
As of March 31, 2024

DRAFT

	Mar 31, 24	Mar 31, 23
ASSETS		
Current Assets		
Checking/Savings		
Truist #5122		
10200 · Operating Funds	287,457.13	35,897.57
10200.1 · Reserve Funds	134,254.34	145,873.94
10200.2 · Westhampton Funds	33,834.55	28,834.55
Truist #5122 - Other	0.00	0.00
Total Truist #5122	455,546.02	210,606.06
Total Checking/Savings	455,546.02	210,606.06
Accounts Receivable		
11000 · Accounts Receivable	40,601.11	0.00
11400 · ASM Escrow	0.00	279,841.29
Total Accounts Receivable	40,601.11	279,841.29
Other Current Assets		
11200 · Interest Receivable	77.21	384.07
14000 · Prepaid Expenses	10,140.00	0.00
Total Other Current Assets	10,217.21	384.07
Total Current Assets	506,364.34	490,831.42
Fixed Assets		
15000 · Furniture and Fixtures	49,999.59	39,706.59
15100 · Equipment	95,357.04	95,357.04
15300 · Other Depreciable Property	94,788.00	94,788.00
15350 · Improvement- Training Fields	74,434.50	62,187.00
15500 · Building Improvements	10,779,715.64	10,779,715.64
15501 · Construction in Progress	20,240.00	20,240.00
15550 · Building Improvements-2nd Floor	1,330,696.31	1,330,696.31
15600 · Building-Westhampton	3,135,228.00	3,135,228.00
16900 · Land-Westhampton	848,578.00	848,578.00
16990 · Leased capital assets		
16990.1 · Leased capital asset--Museum	1,505,819.00	1,505,819.00
16990.2 · Accumulated amortization	-80,407.60	-51,168.40
Total 16990 · Leased capital assets	1,425,411.40	1,454,650.60
17000 · Accumulated Depreciation	-141,226.34	-134,385.27
17300 · Accum Depr-Other	-72,836.52	-78,675.72
17500 · Accum Depr- Building	-3,135,228.00	-3,135,228.00
17600 · Accum Depr-Building Improvement	-3,139,921.82	-2,837,228.44
Total Fixed Assets	11,365,235.80	11,675,629.75
Other Assets		
19000 · Net Invest Lease Rec-Current		
19000.1 · Current Lease Rec-Training Cent	0.00	84,862.55
Total 19000 · Net Invest Lease Rec-Current	0.00	84,862.55
19500 · Net Invest Leas Rec-Long Term		
19500.1 · Lease Asset-Long Term Lease Rec	0.00	56,959.00
Total 19500 · Net Invest Leas Rec-Long Term	0.00	56,959.00
Total Other Assets	0.00	141,821.55
TOTAL ASSETS	11,871,600.14	12,308,282.72
LIABILITIES & EQUITY		

ECONOMIC DEVELOPMENT AUTHORITY-LEIGH ST OPERATING ACCT
Balance Sheet Prev Year Comparison
As of March 31, 2024

DRAFT

	Mar 31, 24	Mar 31, 23
Liabilities		
Current Liabilities		
Accounts Payable		
20000 · Accounts Payable	9,150.73	911.06
Total Accounts Payable	9,150.73	911.06
Other Current Liabilities		
23100 · Interest Payable	38,429.69	30,084.08
24800 · Deferred Revenue	833.70	1,250.33
25000 · Maintenance Reserve-Westhampton	132,854.34	145,873.94
Total Other Current Liabilities	172,117.73	177,208.35
Total Current Liabilities	181,268.46	178,119.41
Long Term Liabilities		
27100 · Recoverable Grant-City of Rich	6,000,000.00	6,500,000.00
27500 · LT Lease Liability		
27500.1 · LT Lease Liability-Museum	1,469,283.00	1,469,283.00
Total 27500 · LT Lease Liability	1,469,283.00	1,469,283.00
Total Long Term Liabilities	7,469,283.00	7,969,283.00
Total Liabilities	7,650,551.46	8,147,402.41
Equity		
Intercompany Transfer	0.00	380,065.00
30001 · Deferred Inflow of Resources-Le	-54,295.24	-244,327.32
39005 · Net Position	4,207,203.09	4,155,251.28
Net Income	68,140.83	-130,108.65
Total Equity	4,221,048.68	4,160,880.31
TOTAL LIABILITIES & EQUITY	11,871,600.14	12,308,282.72

ECONOMIC DEVELOPMENT AUTHORITY-LEIGH ST OPERATING ACCT
Profit & Loss Budget Performance
March 2024

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	Mar 24	Mar 23	YTD 24	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense						
Income						
40000 · Event Income	0.00	17,967.00	141,919.00	35,906.25	106,012.75	47,875.00
41500 · Advertising & Other Income	0.00	0.00	13,133.00	2,362.50	10,770.50	3,150.00
41600.1 · Building Rent-1st Floor	25,484.41	24,420.39	226,616.04	229,356.00	-2,739.96	305,808.00
41600.2 · Building Rent-2nd Floor	13,448.00	13,448.00	121,032.00	121,032.00	0.00	161,376.00
41600.3 · 1st Floor Ground Rent	1,767.00	1,767.00	15,903.00	15,903.00	0.00	21,204.00
41600.4 · 2nd Floor Ground Rent	563.00	563.00	5,067.00	5,067.00	0.00	6,756.00
41600.5 · 1st Floor CAM	16,625.00	16,625.00	149,625.00	150,000.00	-375.00	200,000.00
41600.6 · 2nd Floor CAM	7,695.00	7,695.00	69,255.00	75,000.00	-5,745.00	100,000.00
41650 · Rental Income-Westhampton	416.63	416.63	4,166.30	3,750.00	416.30	5,000.00
41660 · Westhampton Maintenance Res	2,186.18	855.43	35,158.22	9,000.00	26,158.22	12,000.00
Total Income	68,185.22	83,757.45	781,874.56	647,376.75	134,497.81	863,169.00
Expense						
60100 · Amortization Expense	2,436.60	2,436.60	21,929.40	21,929.40	0.00	29,239.20
60500 · Staffing	0.00	11,165.00	90,635.00	119,835.00	-29,200.00	159,780.00
60510 · Payroll Expenses	0.00	1,694.00	5,853.00	5,250.00	603.00	7,000.00
61000 · General and Administrative	0.00	6,358.00	17,388.03	31,581.75	-14,193.72	42,109.00
61500 · Security Service	1,050.00	569.00	7,356.00	7,500.00	-144.00	10,000.00
63400 · Interest Exp-lease	4,044.65	4,022.43	36,772.84	37,500.00	-727.16	50,000.00
63500 · Bank Service Charges	68.95	21.00	871.61	375.00	496.61	500.00
63700 · Landscaping and Groundskeeping	1,650.00	1,350.00	10,600.00	9,000.00	1,600.00	12,000.00
66500 · Telephone Expense	164.32	605.00	4,220.96	6,000.00	-1,779.04	8,000.00
66670 · Insurance Expense	1,130.00	3,079.00	13,297.00	18,750.00	-5,453.00	25,000.00
66700 · Professional Fees	1,125.00	0.00	8,460.00	3,750.00	4,710.00	5,000.00
67100 · Ground Rent Expense	0.00	0.00	0.00	30,420.00	-30,420.00	40,560.00
67700 · Real estate taxes	0.00	0.00	4,930.72	7,500.00	-2,569.28	10,000.00
68400 · Grounds Maintenance	0.00	11,734.00	58,254.00	75,000.00	-16,746.00	100,000.00
68500 · Maintenance Expense	1,164.46	2,762.00	30,247.30	45,000.00	-14,752.70	60,000.00
68510 · Janitorial Service Supplies	4,014.99	1,463.00	18,066.23	12,750.00	5,316.23	17,000.00
69000 · Base Management Expense	0.00	1,205.00	7,522.00	6,975.00	547.00	9,300.00
69001 · Incentive Management Fee	0.00	531.00	4,486.00	4,500.00	-14.00	6,000.00
69500 · Operations	1,280.00	1,963.00	26,141.58	15,000.00	11,141.58	20,000.00
78000 · Utilities	9,313.06	10,086.06	104,931.50	82,500.00	22,431.50	110,000.00
Total Expense	27,442.03	61,044.09	471,963.17	541,116.15	-69,152.98	721,488.20
Net Ordinary Income	40,743.19	22,713.36	309,911.39	106,260.60	203,650.79	141,680.80
Other Income/Expense						
Other Income						
42800 · Interest Income-Cking	3.83	1.80	19.94	20.00	-0.06	30.00
Total Other Income	3.83	1.80	19.94	20.00	-0.06	30.00
Other Expense						
72500 · Depreciation Expense	27,378.97	26,433.38	241,790.50	235,411.49	6,379.01	313,881.99
Total Other Expense	27,378.97	26,433.38	241,790.50	235,411.49	6,379.01	313,881.99
Net Other Income	-27,375.14	-26,431.58	-241,770.56	-235,391.49	-6,379.07	-313,851.99
Net Income	13,368.05	-3,718.22	68,140.83	-129,130.89	197,271.72	-172,171.19

ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF RICHMOND
(A Component Unit of the City of Richmond, Virginia)
Statement of Net Position
Enterprise Funds
March 31, 2024

DRAFT

	CARE	EZIL	CAP	CRLF	EDHLF	OPERATIONS	TOTAL
ASSETS							
Peoples Bank			752,747.17	404,723.01		34,904.01	1,192,374.19
Wells Fargo Checking	808,236.64						808,236.64
Wells Fargo Money Market	105,614.79						105,614.79
Community Capital Bank				182,084.29			182,084.29
Atlantic Union Bank		244,571.48			-		244,571.48
Community Capital Bank GLFIA					464,170.91		464,170.91
Peoples Bank LRA					2,028,804.99		2,028,804.99
Peoples Bank GLFIA					1,028,316.76		1,028,316.76
Peoples Bank GLFIA-2					357,395.51		357,395.51
Total Cash	913,851.43	244,571.48	752,747.17	586,807.30	3,878,688.17	34,904.01	6,411,569.56
Prepaid/Accounts Receivable	400.00	-	-	-	-	-	400.00
Total Current Assets	914,251.43	244,571.48	752,747.17	586,807.30	3,878,688.17	34,904.01	6,411,969.56
Long Term Assets							
Note/Grant Receivable	24,306.73	-	141,639.34	1,007,113.23	7,414,313.28		8,587,372.58
Unused LOC			-				-
Accrued Interest Receivable	9,815.98	-	57,516.89	130,592.87	1,609,389.19		1,807,314.93
Loan Loss Reserve	(12,155.68)	-	(87,326.39)	(230,962.00)	(159,898.36)		(490,342.43)
Total Long Term Assets	21,967.03	-	111,829.84	906,744.10	8,863,804.11	-	9,904,345.08
Total Assets	936,218.46	244,571.48	864,577.01	1,493,551.40	12,742,492.28	34,904.01	16,316,314.64
Accounts Payable	1,050.00	-	1,500.00	2,400.00	-	1,450.00	6,400.00
Due to City of Richmond	-					30,248.93	30,248.93
Net Position	935,168.46	244,571.48	863,077.01	1,491,151.40	12,742,492.28	3,205.08	16,279,665.71
Total Liabilities & Net Position	936,218.46	244,571.48	864,577.01	1,493,551.40	12,742,492.28	34,904.01	16,316,314.64
	-	-	-	-	-	-	-

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**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF RICHMOND, VIRGINIA**
(A Component Unit of the City of Richmond, Virginia)
Statement of Revenues, Expenses and Changes in Net Position
For the Nine Months Ending March 31, 2024

	CARE	EZIL	CAP	CRLF	EDHLF	OPERATIONS	TOTAL
Operating Revenues							
Program Income-Interest	1,175.37		8,255.62	38,535.18	270,085.21		318,051.38
Loan origination fee					-		-
Application fees							-
Loan Document Fees	-						-
Capital Contributions	300,000.00						300,000.00
Late fees , etc.	-		-			-	-
Total Revenues	301,175.37	-	8,255.62	38,535.18	270,085.21	-	618,051.38
Expenses							
Bank Charges/Late Fees	131.37		-	93.58	-	11.87	236.82
Loan Fund Grants	176,990.97				-		176,990.97
Loan Fund Expenses	24,000.00		-	-	-	-	24,000.00
ECD/FSG Administration	52,000.00				-	89.26	52,089.26
Marketing	-					-	-
Training/Seminars/Conference						-	-
Loan loss reserve	-			-	-		-
EDA Administration	9,450.00		6,750.00	10,800.00	-	-	27,000.00
Total Expenses	262,572.34	-	6,750.00	10,893.58	-	101.13	280,317.05
Net Increase (Decrease) From Operations	38,603.03	-	1,505.62	27,641.60	270,085.21	(101.13)	337,734.33
Other Income & Expenses							
Bank Interest Earned	7,099.94	459.77	109.76	2,103.35	7,403.58	7.63	17,184.03
Recoveries		-					-
Total Other Income & Expenses	7,099.94	459.77	109.76	2,103.35	7,403.58	7.63	17,184.03
Net Increase (Decrease) in Funds	45,702.97	459.77	1,615.38	29,744.95	277,488.79	(93.50)	354,918.36
Net Position, Beg of Year	889,465.49	244,111.71	861,461.63	1,461,406.45	12,465,003.49	3,298.58	15,924,747.35
Net Position, End of Period	935,168.46	244,571.48	863,077.01	1,491,151.40	12,742,492.28	3,205.08	16,279,665.71

EDA April Financial Report

EDA City of Richmond-Stone Brewery
Balance Sheet Prev Year Comparison
As of April 30, 2024

DRAFT

	Apr 30, 24	Apr 30, 23
ASSETS		
Current Assets		
Checking/Savings		
10100 · Wells Fargo #2828	3,022,016.12	3,195,344.53
11000 · Accounts Receivable	17,000.19	17,000.19
14000 · Prepaid Expenses	0.00	0.01
Total Current Assets	3,039,016.31	3,212,344.73
Fixed Assets		
15602 · CIP- Ston Brewery	0.00	34,410.86
15603 · Building Improvements	83,625.00	83,625.00
16900 · Land	621,644.51	621,644.51
17000 · Accumulated Depreciation	-4,006.83	-1,916.31
Total Fixed Assets	701,262.68	737,764.06
Other Assets		
19000 · Net Invest-Cap Lease Rec-Curret		
19000.1 · Current-Capital Lease Receivabl	290,044.38	290,044.38
19000.2 · Current Portion Unearned int	-93,614.12	-193,528.44
Total 19000 · Net Invest-Cap Lease Rec-Curret	196,430.26	96,515.94
19500 · Net Investment on Capital Lease		
19500.1 · Capital Lease Receivable	29,584,526.97	31,324,793.25
19500.2 · Unearned Int on Capital Lease	-11,178,170.48	-12,318,376.65
Total 19500 · Net Investment on Capital Lease	18,406,356.49	19,006,416.60
Total Other Assets	18,602,786.75	19,102,932.54
TOTAL ASSETS	22,343,065.74	23,053,041.33
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
20000 · Accrued Interest Payable	1,082.33	0.00
23100 · Accounts Payable	285,127.97	294,201.05
25000 · Current Portion of Rec. Grant	750,000.00	730,000.00
Total Current Liabilities	1,036,210.30	1,024,201.05
Long Term Liabilities		
27200.1 · Recoverable Grant Payable	17,635,000.00	18,385,000.00
Total Long Term Liabilities	17,635,000.00	18,385,000.00
Total Liabilities	18,671,210.30	19,409,201.05
Equity		
32000 · Retained Earnings	3,786,883.62	3,246,256.90
39002 · Intercompany Transfer	-500,000.00	0.00
Net Income	384,971.82	397,583.38
Total Equity	3,671,855.44	3,643,840.28
TOTAL LIABILITIES & EQUITY	22,343,065.74	23,053,041.33

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EDA City of Richmond-Stone Brewery
Profit & Loss Budget Performance
April 2024

	Apr 24	Apr 23	YTD 24	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense						
Income						
42800 · Interest Income	2,355.16	1,862.27	22,848.58	12,500.00	10,348.58	15,000.00
43000 · Interest on Capital Lease	0.00	97,129.19	950,195.27	950,171.81	23.46	1,140,206.17
Total Income	2,355.16	98,991.46	973,043.85	962,671.81	10,372.04	1,155,206.17
Expense						
62400 · Depreciation Expense	174.21	174.21	1,742.10	1,742.10	0.00	2,090.52
63300 · Insurance Expense	392.13	402.38	3,893.85	5,833.33	-1,939.48	7,000.00
63500 · Bank Fees	0.00	0.00	0.00	83.33	-83.33	100.00
66100 · Interest Expense-Bond	57,025.60	58,840.21	570,255.85	573,510.42	-3,254.57	688,212.50
66700 · Professional Fees	0.00	0.00	0.00	16,666.67	-16,666.67	20,000.00
67200 · Repairs and Maintenance	0.00	0.00	1,710.40	25,000.00	-23,289.60	30,000.00
67500 · Roof Expense	1,082.33	0.00	10,469.83	25,000.00	-14,530.17	30,000.00
Total Expense	58,674.27	59,416.80	588,072.03	647,835.85	-59,763.82	777,403.02
Net Ordinary Income	-56,319.11	39,574.66	384,971.82	314,835.96	70,135.86	377,803.15
Other Income/Expense						
Other Income						
70200 · Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Income	0.00	0.00	0.00	0.00	0.00	0.00
Net Other Income	0.00	0.00	0.00	0.00	0.00	0.00
Net Income	-56,319.11	39,574.66	384,971.82	314,835.96	70,135.86	377,803.15

Economic Development Authority-Operations
Balance Sheet Prev Year Comparison

As of April 30, 2024

DRAFT

	Apr 30, 24	Apr 30, 23
ASSETS		
Current Assets		
Checking/Savings		
10200 · FCB #7709 Savings	1,149,862.20	1,245,528.16
10300 · Towne Bank Savings	50,803.59	50,778.14
10450 · Well Fargo #7155 Checking	229,689.29	156,143.03
10500 · Restricted Checking/Savings		
10501.1 · FCB 8605 Facade/Vent	53,534.10	89,004.35
10502 · C&F Bank #3929 Tobacco Rowe	140,496.11	117,882.74
10505 · Wells Fargo #0731 Grants	1,766,820.94	1,210,535.03
10509 · EDA-Hull Street Facade Program	250,114.98	0.00
10510 · EDA Triple A Grant Program	199,700.13	0.00
10511 · Enterprise Zone Program	134,355.51	0.00
Total 10500 · Restricted Checking/Savings	2,545,021.77	1,417,422.12
Total Checking/Savings	3,975,376.85	2,869,871.45
Accounts Receivable		
11000 · Accounts Receivable	9,800.00	21,942.00
Total Accounts Receivable	9,800.00	21,942.00
Other Current Assets		
112000 · Due from City of Richmond	0.00	119,692.23
14000 · Prepaid Expenses	6,149.35	83,095.89
Total Other Current Assets	6,149.35	202,788.12
Total Current Assets	3,991,326.20	3,094,601.57
Fixed Assets		
15000 · Furniture and Equipment	3,168.47	3,168.47
17000 · Accumulated Depreciation	-1,161.60	-528.00
Total Fixed Assets	2,006.87	2,640.47
Other Assets		
17500 · Website		
17500.1 · Accumulated Amortization-Websit	-36,930.00	0.00
17500 · Website - Other	126,895.00	0.00
Total 17500 · Website	89,965.00	0.00
18000 · Investment City Center	13,173,606.89	211.24
18100 · Investment Diamond District	582,232.70	0.00
19100 · Net Invest.-Cap Lease Rec-Curre		
19100.1 · Current-Capital Lease Rec	22,000.00	22,000.00
19100.2 · Current Portion Unearned Int	-12,841.08	-13,134.00
Total 19100 · Net Invest.-Cap Lease Rec-Curre	9,158.92	8,866.00
19500 · Net Investment on Capital Lease		
19500.1 · Capital Lease Receivable	550,000.00	594,000.00
19500.2 · Unearned Int on Capital Lease	-191,899.92	-226,741.00
Total 19500 · Net Investment on Capital Lease	358,100.08	367,259.00
Total Other Assets	14,213,063.59	376,336.24
TOTAL ASSETS	18,206,396.66	3,473,578.28
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		

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Economic Development Authority-Operations
Balance Sheet Prev Year Comparison
As of April 30, 2024

DRAFT

	Apr 30, 24	Apr 30, 23
Accounts Payable		
27000 · Accounts Payable	15,528.60	0.00
20000 · Other Accounts Payable	5,910.70	965.60
Due to Leigh Street Fund	1,200,200.00	0.00
Total Current Liabilities	1,221,639.30	965.60
Total Liabilities	1,221,639.30	965.60
Equity		
39002 · Intercompany Transfer	500,000.00	-372,626.00
39005 · Retained Earnings	16,229,102.30	4,189,882.35
Net Income	255,655.06	-344,643.67
Total Equity	16,984,757.36	3,472,612.68
TOTAL LIABILITIES & EQUITY	18,206,396.66	3,473,578.28

Economic Development Authority-Operations
Profit & Loss Budget Performance
April 2024

	Apr 24	Apr 23	\$ Over PY	YTD 24	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense							
Income							
40800 - Restricted Interest Income	65.82	51.65	251.96	647.51	25,000.00	-24,352.49	30,000.00
41200 - Grants	0.00	0.00	0.00	1,551,514.59	1,031,968.33	519,546.26	1,238,362.00
41220 - Grants (non-city)	0.00	0.00	0.00	700,000.00	583,333.33	116,666.67	700,000.00
41225 - Grants-Façade Program	0.00	0.00	0.00	0.00	166,666.67	-166,666.67	200,000.00
41400 - Contributed Asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41700 - Administrative Fee	0.00	0.00	0.00	76,000.00	37,500.00	38,500.00	45,000.00
42000 - Administrative Loan Fee Income	3,000.00	3,000.00	0.00	30,000.00	30,000.00	0.00	36,000.00
42300 - Annual Bond Administrative Fee	0.00	0.00	0.00	20,000.00	16,666.67	3,333.33	20,000.00
42400 - Grant Management Fee	0.00	0.00	0.00	2,500.00	0.00	2,500.00	0.00
42800 - Interest Income	1,122.77	979.69	143.08	10,563.19	25,000.00	-14,436.81	30,000.00
43000 - Parking Lot Rental Income	0.00	0.00	0.00	0.00	22,000.00	-22,000.00	22,000.00
43100 - Interest on Capital Lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	4,188.59	4,031.34	157.25	2,391,225.29	1,938,135.00	453,090.29	2,321,362.00
Expense							
60100 - Grants-Econ Dev Incentives	0.00	0.00	0.00	1,051,514.60	1,031,968.33	19,546.27	1,238,362.00
60115-Grants Triple A	0.00	0.00	0.00	475,295.00	583,333.33	-108,038.33	700,000.00
60200-Grants-Façade	10,000.00	0.00	10,000.00	35,590.81	166,666.67	-131,075.86	200,000.00
60400 - Bank Service Charges	35.00	112.47	-77.47	1,730.43	4,166.67	-2,436.24	5,000.00
60500 - Grants-Enterprise Zone	40,865.85	0.00	40,865.85	233,643.07	0.00	233,643.07	0.00
60600 - Grants-Infrastructure	0.00	0.00	0.00	30,000.00	0.00	30,000.00	0.00
61300 - Bad debt expense	0.00	0.00	0.00	119,692.23	0.00	119,692.23	0.00
61700 - Computer & Internet Expenses	941.24	0.00	941.24	1,490.24	1,666.67	-176.43	2,000.00
61900 - Contingency fund	0.00	0.00	0.00	0.00	4,166.67	-4,166.67	5,000.00
62400 - Depreciation	52.80	52.80	0.00	528.00	833.33	-305.33	1,000.00
6250 - Due & Memberships	19,982.00	0.00	19,982.00	26,307.00	4,166.67	22,140.33	5,000.00
62550 - Accounting Services	5,000.00	3,000.00	2,000.00	32,000.00	33,333.33	-1,333.33	40,000.00
62552 - Audit Services	0.00	0.00	0.00	34,908.00	35,000.00	-92.00	42,000.00
63300 - Insurance Expense							
63300.1 - Board Insurance	206.16	206.16	0.00	2,086.60	2,083.33	3.27	2,500.00
63300.2 - Insurance-Laurel /Stoney Point	429.33	429.33	0.00	4,293.30	4,166.67	126.63	5,000.00
Total 63300 - Insurance Expense	635.49	635.49	0.00	6,379.90	6,250.00	129.90	7,500.00
64100 - Legal Expense	0.00	0.00	0.00	0.00	10,416.67	-10,416.67	12,500.00
64200 - Marketing							
64200.1 - Web Hosting	1,299.00	20.00	1,279.00	12,990.00	16,666.67	-3,676.67	20,000.00
64200 - Marketing - Other	8,693.00	0.00	8,693.00	45,279.16	8,333.33	36,945.83	10,000.00
Total 64200 - Marketing	9,992.00	20.00	9,972.00	58,269.16	25,000.00	33,269.16	30,000.00
64300 - Meals and Entertainment	766.80	0.00	766.80	15,060.94	8,333.33	6,727.61	10,000.00
64400 - Miscellaneous Expense	0.00	0.00	0.00	0.00	1,250.00	-1,250.00	1,500.00
64900 - Office Supplies	27.20	0.00	27.20	192.73	416.67	-223.94	500.00
66700 - Professional Fees	0.00	0.00	0.00	0.00	10,416.67	-10,416.67	12,500.00
67200 - Repairs and Maintenance	0.00	0.00	0.00	535.00	0.00	535.00	0.00
67800.7 - Workmans Comp Insurance	58.66	80.40	-21.74	586.60	833.33	-246.73	1,000.00
68400 - Meetings expense	727.40	488.76	238.64	9,553.88	0.00	9,553.88	5,000.00
68500 - Travel	0.00	337.95	-337.95	930.60	1,666.67	-736.07	2,000.00
68600 - Utilities	0.00	0.00	0.00	922.04	0.00	922.04	0.00
68600.1 - Internet Service	44.00	44.00	0.00	440.00	416.67	23.33	500.00
Total Expense	89,128.44	4,771.87	84,356.57	2,135,570.23	1,930,301.67	205,268.56	2,321,362.00
Net Ordinary Income	-84,939.85	-740.53	-84,199.32	255,655.06	7,833.33	247,821.73	0.00
Net Income	-84,939.85	-740.53	-84,199.32	255,655.06	7,833.33	247,821.73	0.00

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Balance Sheet Prev Year Comparison

As of April 30, 2024

	Apr 30, 24	Apr 30, 23
ASSETS		
Current Assets		
Checking/Savings		
Truist #5122		
10200 · Operating Funds	302,058.17	35,878.30
10200.1 · Reserve Funds	131,681.98	144,284.84
10200.2 · Westhampton Funds	33,834.55	28,834.55
Total Truist #5122	467,574.70	208,997.69
11000 · Accounts Receivable	40,601.11	0.00
11400 · ASM Escrow	0.00	304,258.29
11200 · Interest Receivable	0.00	307.67
14000 · Prepaid Expenses	9,018.00	0.00
Total Current Assets	517,193.81	513,563.65
Fixed Assets		
15000 · Furniture and Fixtures	66,449.59	39,706.59
15100 · Equipment	95,357.04	95,357.04
15300 · Other Depreciable Property	94,788.00	94,788.00
15350 · Improvement- Training Fields	74,434.50	62,187.00
15500 · Building Improvements	10,779,715.64	10,779,715.64
15501 · Construction in Progress	20,240.00	20,240.00
15550 · Building Improvements-2nd Floor	1,330,696.31	1,330,696.31
15600 · Building-Westhampton	3,135,228.00	3,135,228.00
16900 · Land-Westhampton	848,578.00	848,578.00
16990 · Leased capital assets		
16990.1 · Leased capital asset--Museum	1,505,819.00	1,505,819.00
16990.2 · Accumulated amortization	-82,844.20	-53,605.00
Total 16990 · Leased capital assets	1,422,974.80	1,452,214.00
17000 · Accumulated Depreciation	-142,519.94	-134,716.55
17300 · Accum Depr-Other	-90,158.60	-79,547.80
17500 · Accum Depr- Building	-3,135,228.00	-3,135,228.00
17600 · Accum Depr-Building Improvement	-3,165,135.11	-2,862,458.46
Total Fixed Assets	11,335,420.23	11,646,759.77
Other Assets		
19000 · Net Invest Lease Rec-Current		
19000.1 · Current Lease Rec-Training Cent	-28,440.93	56,651.46
Total 19000 · Net Invest Lease Rec-Current	-28,440.93	56,651.46
19500 · Net Invest Leas Rec-Long Term		
19500.1 · Lease Asset-Long Term Lease Rec	0.00	56,959.00
Total 19500 · Net Invest Leas Rec-Long Term	0.00	56,959.00
Total Other Assets	-28,440.93	113,610.46
TOTAL ASSETS	11,824,173.11	12,273,933.88
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		

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ECONOMIC DEVELOPMENT AUTHORITY-LEIGH ST OPERATING ACCT

Balance Sheet Prev Year Comparison

As of April 30, 2024

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	Apr 30, 24	Apr 30, 23
20000 · Accounts Payable	10,018.16	284.00
23100 · Interest Payable	38,985.69	30,737.40
24800 · Deferred Revenue	417.07	833.70
25000 · Maintenance Reserve-Westhampton	130,281.98	144,284.84
Total Current Liabilities	179,702.90	176,139.94
Long Term Liabilities		
27100 · Recoverable Grant-City of Rich	6,000,000.00	6,500,000.00
27500.1 · LT Lease Liability-Museum	1,469,283.00	1,469,283.00
Total Long Term Liabilities	7,469,283.00	7,969,283.00
Total Liabilities	7,648,985.90	8,145,422.94
Equity		
Intercompany Transfer	0.00	380,065.00
30001 · Deferred Inflow of Resources-Le	-81,442.72	-271,474.80
39005 · Net Position	4,207,203.09	4,155,251.28
Net Income	49,426.84	-135,330.54
Total Equity	4,175,187.21	4,128,510.94
TOTAL LIABILITIES & EQUITY	11,824,173.11	12,273,933.88

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ECONOMIC DEVELOPMENT AUTHORITY-LEIGH ST OPERATING ACCT
Profit & Loss Budget Performance
April 2024

	Apr 24	Apr 23	YTD 24	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense						
Income						
40000 · Event Income	0.00	16,921.00	141,919.00	39,895.83	102,023.17	47,875.00
41500 · Advertising & Other Income	0.00	0.00	13,133.00	2,625.00	10,508.00	3,150.00
41600.1 · Building Rent-1st Floor	25,484.41	24,343.99	250,729.79	254,840.00	-4,110.21	305,808.00
41600.2 · Building Rent-2nd Floor	13,448.00	13,448.00	134,480.00	134,480.00	0.00	161,376.00
41600.3 · 1st Floor Ground Rent	1,767.00	1,767.00	17,670.00	17,670.00	0.00	21,204.00
41600.4 · 2nd Floor Ground Rent	563.00	563.00	5,630.00	5,630.00	0.00	6,756.00
41600.5 · 1st Floor CAM	16,625.00	16,625.00	166,250.00	166,666.67	-416.67	200,000.00
41600.6 · 2nd Floor CAM	7,695.00	7,695.00	76,950.00	83,333.33	-6,383.33	100,000.00
41650 · Rental Income-Westhampton	416.63	416.63	4,582.93	4,166.67	416.26	5,000.00
41660 · Westhampton Maintenance Res	2,572.36	1,589.10	37,730.58	10,000.00	27,730.58	12,000.00
Total Income	68,571.40	83,368.72	849,075.30	719,307.50	129,767.80	863,169.00
Expense						
60100 · Amortization Expense	2,436.60	2,436.60	24,366.00	24,366.00	0.00	29,239.20
60500 · Staffing	0.00	15,984.00	90,635.00	133,150.00	-42,515.00	159,780.00
60510 · Payroll Expenses	0.00	1,522.00	5,853.00	5,833.33	19.67	7,000.00
61000 · General and Administrative	0.00	3,840.00	17,388.03	35,090.83	-17,702.80	42,109.00
61500 · Security Service	840.00	788.00	8,196.00	8,333.33	-137.33	10,000.00
63400 · Interest Exp-lease	3,936.00	4,033.32	40,708.84	41,666.67	-957.83	50,000.00
63500 · Bank Service Charges	33.90	21.00	405.51	416.67	-11.16	500.00
63700 · Landscaping and Groundskeeping	1,700.00	700.00	12,300.00	10,000.00	2,300.00	12,000.00
66500 · Telephone Expense	164.32	605.00	4,385.28	6,666.67	-2,281.39	8,000.00
66670 · Insurance Expense	1,130.00	2,522.00	14,427.00	20,833.33	-6,406.33	25,000.00
66700 · Professional Fees	2,700.00	0.00	11,160.00	4,166.67	6,993.33	5,000.00
67100 · Ground Rent Expense	0.00	0.00	0.00	33,800.00	-33,800.00	40,560.00
67700 · Real estate taxes	0.00	0.00	4,930.72	8,333.33	-3,402.61	10,000.00
68400 · Grounds Maintenance	23,130.00	9,709.00	81,384.00	83,333.33	-1,949.33	100,000.00
68500 · Maintenance Expense	2,713.90	3,226.00	32,961.20	50,000.00	-17,038.80	60,000.00
68510 · Janitorial Service Supplies	40.04	1,463.00	18,106.27	14,166.67	3,939.60	17,000.00
69000 · Base Management Expense	0.00	2,971.00	7,522.00	7,750.00	-228.00	9,300.00
69001 · Incentive Management Fee	0.00	643.00	4,486.00	5,000.00	-514.00	6,000.00
69500 · Operations	600.00	2,296.00	26,741.58	16,666.67	10,074.91	20,000.00
78000 · Utilities	19,114.85	9,399.04	124,046.35	91,666.67	32,379.68	110,000.00
Total Expense	58,539.61	62,158.96	530,502.78	601,240.17	-70,737.39	721,488.20
Net Ordinary Income	10,031.79	21,209.76	318,572.52	118,067.33	200,505.19	141,680.80
Other Income/Expense						
Other Income						
42800 · Interest Income-Cking	3.85	1.73	23.79	20.00	3.79	30.00
Total Other Income	3.85	1.73	23.79	20.00	3.79	30.00
Other Expense						
72500 · Depreciation Expense	27,378.97	26,433.38	269,169.47	261,568.33	7,601.15	313,881.99
Total Other Expense	27,378.97	26,433.38	269,169.47	261,568.33	7,601.15	313,881.99
Net Other Income	-27,375.12	-26,431.65	-269,145.68	-261,548.33	-7,597.36	-313,851.99
Net Income	-17,343.33	-5,221.89	49,426.84	-143,480.99	192,907.83	-172,171.19

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ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF RICHMOND
(A Component Unit of the City of Richmond, Virginia)
Statement of Net Position
Enterprise Funds
April 30, 2024

	CARE	EZIL	CAP	CRLF	EDHLF	OPERATIONS	TOTAL
ASSETS							
Peoples Bank			753,159.51	415,363.08		37,854.61	1,206,377.20
Wells Fargo Checking	804,191.55						804,191.55
Wells Fargo Money Market	105,705.77						105,705.77
Community Capital Bank				182,308.78			182,308.78
Atlantic Union Bank		244,621.60					244,621.60
Community Capital Bank GLFIA					464,933.93		464,933.93
Peoples Bank LRA					2,031,291.24		2,031,291.24
Peoples Bank GLFIA					1,028,333.62		1,028,333.62
Peoples Bank GLFIA-2					357,401.37		357,401.37
Total Cash	909,897.32	244,621.60	753,159.51	597,671.86	3,881,960.16	37,854.61	6,425,165.06
Prepaid/Accounts Receivable	400.00	-	-	-	-	-	400.00
Total Current Assets	910,297.32	244,621.60	753,159.51	597,671.86	3,881,960.16	37,854.61	6,425,565.06
Long Term Assets							
Note/Grant Receivable	24,306.73	-	141,239.34	1,000,230.65	7,414,313.28		8,580,090.00
Unused LOC			-				-
Accrued Interest Receivable	9,942.51	-	58,240.38	130,945.05	1,633,934.71		1,833,062.65
Loan Loss Reserve	(12,155.68)	-	(87,326.39)	(230,962.00)	(159,898.36)		(490,342.43)
Total Long Term Assets	22,093.56	-	112,153.33	900,213.70	8,888,349.63	-	9,922,810.22
Total Assets	932,390.88	244,621.60	865,312.84	1,497,885.56	12,770,309.79	37,854.61	16,348,375.28
Accounts Payable	2,100.00	-	2,250.00	3,600.00	-	1,450.00	9,400.00
Due to City of Richmond	-					33,198.93	33,198.93
Net Position	930,290.88	244,621.60	863,062.84	1,494,285.56	12,770,309.79	3,205.68	16,305,776.35
Total Liabilities & Net Position	932,390.88	244,621.60	865,312.84	1,497,885.56	12,770,309.79	37,854.61	16,348,375.28
	-	-	-	-	-	-	-

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**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF RICHMOND, VIRGINIA**
(A Component Unit of the City of Richmond, Virginia)
Statement of Revenues, Expenses and Changes in Net Position
For the Ten Months Ending April 30, 2024

	CARE	EZIL	CAP	CRLF	EDHLF	OPERATIONS	TOTAL
Operating Revenues							
Program Income-Interest	1,301.90	-	8,979.11	42,638.14	297,083.69	-	350,002.84
Loan origination fee	-	-	-	-	-	-	-
Application fees	-	-	-	-	-	-	-
Loan Document Fees	-	-	-	-	-	-	-
Capital Contributions	300,000.00	-	-	-	-	-	300,000.00
Late fees , etc.	-	-	-	-	-	-	-
Total Revenues	301,301.90	-	8,979.11	42,638.14	297,083.69	-	650,002.84
Expenses							
Bank Charges/Late Fees	133.92	-	-	93.58	-	11.87	239.37
Loan Fund Grants	181,725.40	-	-	-	-	-	181,725.40
Loan Fund Expenses	24,000.00	-	-	-	-	-	24,000.00
ECD/FSG Administration	52,000.00	-	-	-	-	89.26	52,089.26
Marketing	-	-	-	-	-	-	-
Training/Seminars/Conference	-	-	-	-	-	-	-
Loan loss reserve	-	-	-	-	-	-	-
EDA Administration	10,500.00	-	7,500.00	12,000.00	-	-	30,000.00
Total Expenses	268,359.32	-	7,500.00	12,093.58	-	101.13	288,054.03
Net Increase (Decrease) From Operations	32,942.58	-	1,479.11	30,544.56	297,083.69	(101.13)	361,948.81
Other Income & Expenses							
Bank Interest Earned	7,882.81	509.89	122.10	2,334.55	8,222.61	8.23	19,080.19
Recoveries	-	-	-	-	-	-	-
Total Other Income & Expenses	7,882.81	509.89	122.10	2,334.55	8,222.61	8.23	19,080.19
Net Increase (Decrease) in Funds	40,825.39	509.89	1,601.21	32,879.11	305,306.30	(92.90)	381,029.00
Net Position, Beg of Year	889,465.49	244,111.71	861,461.63	1,461,406.45	12,465,003.49	3,298.58	15,924,747.35
Net Position, End of Period	930,290.88	244,621.60	863,062.84	1,494,285.56	12,770,309.79	3,205.68	16,305,776.35

**Cooperation Agreement between the EDA
and the City of Richmond for the
Development of the Diamond District**

INTRODUCED: April 8, 2024

AN ORDINANCE No. 2024-114

To approve a plan to finance certain public infrastructure in connection with the redevelopment of the area known as the “Diamond District” through the issuance of revenue bonds by the Economic Development Authority of the City of Richmond, Virginia (the “Authority”); to approve the form of a Cooperation Agreement pursuant to which the City of Richmond, Virginia (the “City”), will undertake, subject to annual appropriation by the Council of the City of sufficient amounts for such purposes, to make available to the Authority such funds as may be necessary to enable the Authority to (a) satisfy its undertakings pursuant to the Purchase and Sale and Development Agreement, the Stadium Development Agreement and the Stadium Lease, each to be entered into in connection with the Diamond District redevelopment project, (b) pay the debt service on the revenue bonds to be issued to finance such public infrastructure and (c) pay certain other costs and fees and fund other obligations required pursuant to the terms of the financing documents pursuant to which such revenue bonds are to be issued; and to authorize the Chief Administrative Officer and other appropriate officers of the City to execute and deliver the Cooperation Agreement and such other documents as may be necessary or appropriate to accomplish the plan of finance with respect to the public infrastructure.

Patrons – Mayor Stoney, Ms. Jordan, President Nye, Ms. Newbille, Ms. Trammell, Mr. Addison,
Ms. Lynch and Ms. Robertson

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAY 8 2024 AT 3 P.M.

WHEREAS, the Economic Development Authority of the City of Richmond, Virginia (the “Authority”), pursuant to the Industrial Development and Revenue Bond Act (the “Act”) under which it is created, is authorized to exercise all the powers set forth in the Act, which include,

AYES: 6 NOES: 0 ABSTAIN: _____

ADOPTED: MAY 8 2024 REJECTED: _____ STRICKEN: _____

among other things, the power to finance “authority facilities” (as defined in the Act), to issue its revenue bonds, notes and other obligations from time to time for such purpose and to pledge all or any part of its revenues and receipts derived from payments received by the Authority from any source as security for the payment of principal of and premium, if any, and interest on any such obligations;

WHEREAS, the City of Richmond, Virginia (the “City”), the Authority and Diamond District Partners, LLC (the “Developer”), are expected to enter into a Purchase and Sale and Development Agreement (the “Development Agreement”), to provide for the redevelopment of a portion of the Greater Scott’s Addition area that is known as the “Diamond District” and is home to The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies;

WHEREAS, the Development Agreement will provide for the development of a full spectrum of new, privately financed housing (including both market rate and affordable housing), retail and office spaces and a hotel within the Diamond District and certain publicly financed public infrastructure that will serve the Diamond District and connect the project area with adjacent communities (as further described herein, the “Public Infrastructure”);

WHEREAS, such Public Infrastructure is expected to include: (a) park and public space improvements, (b) parking facilities, (c) cultural facilities, (d) water, sewer, storm water, gas and electric utility improvements, (e) utility installations, relocations and abandonments, (f) road, alley and sidewalk improvements and (g) streetlight, traffic signal, traffic control, street signage, curb, gutter, streetscape and landscaping improvements;

WHEREAS, the Authority and Navigators Baseball, LP (the “Team”), are expected to enter into a Stadium Development Agreement (the “Stadium Development Agreement”), to provide for the design, construction and delivery of a new minor league baseball stadium (the “Stadium”);

WHEREAS, the Authority and Team are expected to enter into a Stadium Lease (the “Stadium Lease”), to provide for the Team’s lease and use of the Stadium;

WHEREAS, in accordance with the terms of the Development Agreement, the Council of the City of Richmond, Virginia (the “Council”), has approved the issuance of general obligation public improvement bonds to finance the costs of the design, construction and equipping of the Stadium;

WHEREAS, pursuant to the terms of the Development Agreement, the Authority will undertake to finance the costs of the design, construction and equipping of the Public Infrastructure (the “Public Infrastructure Project”) through the issuance and sale of one or more series of revenue bonds (the “Public Infrastructure Bonds”), which will be secured by and payable from amounts appropriated by the Council for such purpose but are expected to be paid from rent payments made by the Team to the Authority pursuant to the Stadium Lease (the “Rent Payments”);

WHEREAS, the City desires to assist the Authority in the performance of its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease and the financing of the Public Infrastructure by entering into a Cooperation Agreement with the Authority (the “Cooperation Agreement”), pursuant to which (a) the City will agree, subject to annual appropriation by the Council of sufficient amounts for such purposes, to make available to the Authority such funds as may be necessary to enable the Authority to (i) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (ii) pay the debt service on the Public Infrastructure Bonds, (iii) if applicable,

replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (iv) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued and (v) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds and (b) the Authority will agree to apply the Rent Payments to pay debt service on the Public Infrastructure Bonds and to credit such Rent Payments toward the City's undertaking to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds;

WHEREAS, the transactions contemplated by the Cooperation Agreement will benefit the citizens of the City by promoting increased employment opportunities, a strengthened economic base, increased tax revenues, market rate and affordable housing and additional business, retail and recreational opportunities; and

WHEREAS, a public hearing on this ordinance has been advertised and held in the manner required by Section 4.10 of the Charter of the City;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. The Council finds that the undertaking of the Public Infrastructure Project will be in the best interests of the City and its citizens and authorizes the City, in collaboration with the Authority, to undertake the following plan of finance to accomplish the same. The Authority shall issue the Public Infrastructure Bonds to finance the Public Infrastructure Project and to pay related issuance and financing costs. The Public Infrastructure Bonds shall (a) be issued in an aggregate principal amount not to exceed \$40,000,000, (b) mature or be subject to mandatory sinking fund redemption in annual installments ending no later than December 31, 2058, (c) have a "true" or

“Canadian” interest cost not exceeding 8.00% (taking into account any original issue discount or premium), (d) be sold to the underwriter(s) thereof at a price not less than 97% of the aggregate principal amount thereof (without taking into account any original issue discount or premium) and (e) be subject to optional redemption on such terms as the Director of Finance, with the approval of the Chief Administrative Officer, and the Chair or Vice Chair of the Authority determine to be in the best interests of the City and the Authority. Pursuant to and in accordance with the terms of the Cooperation Agreement, the City will undertake to make payments to the Authority in amounts sufficient to enable the Authority to (i) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (ii) pay the debt service on the Public Infrastructure Bonds, (iii) if applicable, replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (iv) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued and (v) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds. The obligation of the Authority to pay principal of and premium, if any, and interest on the Public Infrastructure Bonds will be limited to such payments from the City, provided that, pursuant to the terms of the Cooperation Agreement, the Authority will apply the Rent Payments to pay debt service on the Public Infrastructure Bonds and credit such Rent Payments toward the City’s undertaking to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds. Notwithstanding the foregoing sentence describing the Authority’s undertaking to apply Rent Payments to the payment of debt service on the Public Infrastructure Bonds, the Public Infrastructure Bonds will be secured solely by an assignment of payments made by the City for such purpose pursuant to the

Cooperation Agreement. The undertaking by the City to make such payments pursuant to the Cooperation Agreement will be subject to appropriation by the Council from time to time of sufficient amounts for such purposes. The plan of finance for the Public Infrastructure Project may contain such additional requirements and provisions as may be approved by the Director of Finance, with the approval of the Chief Administrative Officer, and the Chair or Vice Chair of the Authority. The actions of the Director of Finance in approving the terms of the Public Infrastructure Bonds and the Cooperation Agreement shall be conclusive, and no further action shall be necessary on the part of the Council.

§ 2. In consideration of the Authority's undertakings with respect to the Development Agreement, the Stadium Development Agreement, the Stadium Lease and the Public Infrastructure Bonds, the Chief Administrative Officer, for and on behalf of the City, is authorized and directed to execute and deliver the Cooperation Agreement. The Cooperation Agreement must be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

§ 3. The Council, while recognizing that it is not empowered to make any binding commitment to make appropriations beyond the current fiscal year, states its intent to make appropriations in future fiscal years in amounts sufficient to make all payments due under the Cooperation Agreement and recommends that future Councils do likewise during the term of the Cooperation Agreement. The Council confirms that the components of the Public Infrastructure Project are important to the welfare or quality of life of the citizens of the City, and the Council anticipates that such components will continue to be so during the term of the Cooperation Agreement.

§ 4. The Chief Administrative Officer and the Director of Finance are authorized and directed to coordinate with the appropriate officers of the Authority to have prepared and distributed, in accordance with standard practices for municipal securities, one or more Preliminary Official Statements of the Authority describing the Public Infrastructure Bonds, the security therefor and providing any other pertinent or relevant information. The Director of Finance, together with appropriate officers of the Authority, shall make such completions, omissions, insertions and changes in each such Preliminary Official Statement not inconsistent with this ordinance as are necessary or desirable to complete it as a final Official Statement. The City shall arrange for the delivery to the purchasers of the Public Infrastructure Bonds of a reasonable number of copies of any final Official Statement, within seven business days after the date the Public Infrastructure Bonds have been awarded, for delivery to each potential investor requesting a copy of such final Official Statement and to each person to whom such underwriter or bidder and members of the underwriting or bidding group initially sell Public Infrastructure Bonds.

§ 5. The Director of Finance is authorized, on behalf of the City, to deem each such Preliminary Official Statement and Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission (the “SEC”), except for the omission from each such Preliminary Official Statement of certain pricing and other information permitted to be omitted pursuant to the Rule. The distribution of any Preliminary Official Statement or Official Statement in final form shall be conclusive evidence that it has been deemed final as of its date by the City, except for the omission from any Preliminary Official Statement of such pricing and other information permitted to be omitted pursuant to the Rule.

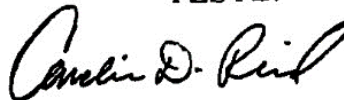
§ 6. All other actions of officers of the City in conformity with the purposes and intent of this ordinance and in furtherance of the plan of finance for the Public Infrastructure Project are hereby ratified, approved and confirmed. The officers of the City are authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the execution and delivery of the Cooperation Agreement, the financing of the Public Infrastructure Project and the issuance, sale and delivery of the Public Infrastructure Bonds, including, but not limited to, entering into (a) a continuing disclosure agreement pursuant to which the City will agree to provide certain annual financial information and operating data and notices of the occurrence of certain events in order to assist the underwriters of the Public Infrastructure Bonds in complying with the Rule and (b) a certificate setting forth the expected use and investment of the proceeds of the Public Infrastructure Bonds to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations thereunder applicable to “arbitrage bonds.” The authorization granted by this ordinance to the Director of Finance, the Chief Administrative Officer and the City Attorney shall apply equally to any person serving in such capacity on an interim or acting basis pending a permanent appointment to any such office.

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

APPROVED AS TO FORM:

CITY ATTORNEY'S OFFICE

A TRUE COPY:
TESTE:



City Clerk



City of Richmond

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

Master

File Number: Admin-2024-0291

File ID: Admin-2024-0291

Type: Request for Ordinance or Resolution

Status: Regular Agenda

Version: 1

Reference:

In Control: DCAO For Planning and Economic Development

Department:

Cost:

File Created: 04/08/2024

Subject:

Final Action:

Title: To authorize the Chief Administrative Officer to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

Internal Notes:

Code Sections:

Agenda Date: 04/08/2024

Indexes:

Agenda Number:

Patron(s):

Enactment Date:

Attachments: Admin-2024-0291_Diamond District - Cooperation Agreement - AATF.pdf.pdf,
Admin-2024-0291_Ordinance - Diamond District - Cooperation Agreement AATF.pdf.pdf

Enactment Number:

Contact:

Introduction Date:

Drafter: Cordell Hayes

Effective Date:

Related Files:

Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	4/8/2024	Sharon Ebert - FYI	Notified - FYI	
1	2	4/8/2024	Lincoln Saunders	Approve	4/10/2024
1	3	4/8/2024	Mayor Stoney	Approve	4/10/2024

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File Admin-2024-0291

Title

To authorize the Chief Administrative Officer to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

Body

O & R Request

DATE: April 8, 2024 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: Lincoln Saunders, Chief Administrative Officer

FROM: Sharon L. Ebert, DCAO - Planning & Economic Development Portfolio

RE: To authorize the CAO to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

PURPOSE: To authorize the CAO to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

BACKGROUND: The execution of this Cooperation Agreement will assist the Authority in the performance of its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease and the financing of the Public Infrastructure by entering into a Cooperation Agreement with the Authority (the “Cooperation Agreement”), pursuant to which (a) the City will agree, subject to annual appropriation by the Council of sufficient amounts for such purposes, to make available to the Authority such funds as may be necessary to enable the Authority to (i) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (ii) pay the debt service on the Public Infrastructure Bonds, (iii) if applicable, replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (iv) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued and (v) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds and (b) the Authority will agree to apply the Rent Payments to pay debt service on the Public Infrastructure Bonds and to credit such Rent Payments toward the City’s undertaking to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds.

COMMUNITY ENGAGEMENT: The goals for development of the Diamond District are based upon the Richmond 300 Master Plan. The City hosted numerous public meetings as part of the Richmond 300 process generally, and four meetings specifically about the Greater Scott's Addition Area to guide the creation of the Small Area Plan. The City also hosted two surveys specific to Greater Scott's Addition and garnered over 1,300 responses. The meetings and survey responses aided the City in drafting the vision and primary next steps as well as the district and open space plans included in Richmond 300 to guide the redevelopment of Greater Scott's Addition. The draft Greater Scott's Addition Small Area Plan was presented to the community in February 2020 and the final Plan was adopted as part of Richmond 300 in December 2020. During the process to rezone several hundred acres of land in Greater Scott's Addition, the City hosted two public meetings and received generally positive feedback on the proposed rezoning. The rezoning was approved by City Council in July 2021.

City staff gave update presentations on the solicitation process at six City Council meetings from October 2021 to August 2022.

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: Richmond 300 Master Plan

FISCAL IMPACT: See attached document entitled "Discussion Materials Diamond District Project" dated March 28, 2024 from the City's Financial Advisor (the "Davenport Update to DD Project Fiscal/Economic Impact Analysis")

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: April 8, 2024

CITY COUNCIL PUBLIC HEARING DATE: April 22, 2024

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE:

- Finance and Economic Development Standing Committee

AFFECTED AGENCIES: Mayor, Chief Administrative Officer, Office of the City Attorney, Department of Economic Development, Department of Planning & Development Review, Department of Finance, Department of Public Works, Department of Public Utilities

RELATIONSHIP TO EXISTING ORD. OR RES.: This ordinance is expected to be introduced along with the following three companion papers: (1) An ordinance to authorize the issuance of G.O. Bonds for stadium construction. (2) An ordinance to create the Diamond District Community City of Richmond Page 5 Printed on 4/8/2024 Master Continued (Admin-2024-0289) Development Authority.

ATTACHMENTS:

Approved to Form Cooperation Agreement

Approved to Form Ordinance for Cooperation Agreement.

STAFF:

Sharon Ebert, DCAO - Planning & Economic Development Portfolio

Leonard Sledge, Director - Department of Economic Development

Matt Welch, Senior Policy Advisor - Planning & Economic Development Portfolio

COOPERATION AGREEMENT

THIS COOPERATION AGREEMENT is made as of [_____, 2024], between the **CITY OF RICHMOND, VIRGINIA** (the “City”), and the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA** (the “Authority”), a political subdivision of the Commonwealth of Virginia;

WITNESSETH:

WHEREAS, the Authority is organized and operating under the Virginia Industrial Development and Revenue Bond Act (the “Act”), Chapter 49, Title 15.2 of the Code of Virginia of 1950, as amended;

WHEREAS, the Act authorizes the Authority to finance “authority facilities,” as defined in the Act, to issue its revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority from any source as security for the payment of principal of and interest on any such obligations;

WHEREAS, the City, the Authority and Diamond District Partners, LLC, have entered into the Diamond District Redevelopment Project Purchase and Sale and Development Agreement dated as of [_____, 2024] (the “Development Agreement”), to provide for the redevelopment of a portion of the Greater Scott’s Addition area that is known as the “Diamond District” and is home to The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies;

WHEREAS, the Development Agreement provides for the development of a full spectrum of new, privately financed housing (including both market rate and affordable housing), retail and office spaces and a hotel within the Diamond District (as further described in the Development Agreement, the “Mixed-Use Development”) and certain publicly financed public infrastructure that will serve the Diamond District and connect the project area with adjacent communities (as further described in the Development Agreement, the “Public Infrastructure”);

WHEREAS, the Authority and Navigators Baseball, LP (the “Team”), have entered into the Stadium Development Agreement dated [_____, 2024] (as it may be amended from time to time, the “Stadium Development Agreement”), to provide for the design, construction, and delivery of a new minor league baseball stadium (the “Stadium”) in accordance with the requirements set forth in the Stadium Development Agreement (the “Stadium Project”);

WHEREAS, the Authority and the Team have entered into the Stadium Lease dated [_____, 2024] (as it may be amended from time to time, the “Stadium Lease”), to provide for the Team’s lease and use of the Stadium as its home venue and for other purposes described therein;

WHEREAS, the City has approved the issuance of issue one or more series of general obligation public improvement bonds to finance the costs of the Stadium Project (the “Stadium Bonds”);

WHEREAS, pursuant to the terms of the Development Agreement, the Authority has agreed to finance the costs of the Public Infrastructure through the issuance and sale of one or more series of revenue bonds (the “Public Infrastructure Bonds”), which will be secured by and payable from amounts appropriated by the Council of the City of Richmond, Virginia (the “Council”), for such purpose pursuant to the terms of this Cooperation Agreement;

WHEREAS, the Authority has further agreed to apply the Rent Payments as a credit toward the City’s undertaking, subject to annual appropriation by the Council of sufficient amounts for such purpose, to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds;

WHEREAS, as contemplated in the Development Agreement, the Authority has agreed to assume certain responsibilities and to perform certain activities to facilitate the redevelopment of the Phase 1 Property (as defined in the Development Agreement) into the Mixed-Use Development and the Stadium Project and will incur costs in connection with the performance of such undertakings in addition to the costs of funding the Public Infrastructure;

WHEREAS, to assist the Authority in the performance of its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease and the financing of the Public Infrastructure, the City desires, subject to annual appropriation by the Council of sufficient amounts for such purpose, to make available to the Authority such funds as may be necessary to enable the Authority to (a) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (b) pay the debt service on the Public Infrastructure Bonds, (c) if applicable, replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (d) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued (the “Trust Agreement”) and (e) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds;

WHEREAS, the transactions contemplated by this Cooperation Agreement will benefit the citizens of the City by promoting increased employment opportunities, a strengthened economic base, increased tax revenues, affordable housing and additional business, retail and recreational opportunities; and

WHEREAS, all acts, conditions and things required by law to happen, exist and be performed precedent to and in connection with the execution of and entering into this Cooperation Agreement have happened, exist and have been performed in regular and due time and in form and manner as required by law, and the parties hereto are now duly empowered to execute and enter into this Cooperation Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained and other valuable consideration, the parties hereto covenant and agree as follows:

1. Definitions. Capitalized terms used, but not defined in this Cooperation Agreement will have the meanings set forth in the Development Agreement, as the context requires. The following terms will have the meanings specified below unless otherwise expressly provided or the context otherwise requires:

“Act” shall have the meaning set forth in the Recitals hereto.

“Annual Budget” shall have the meaning set forth in Section 4(b).

“Annual Rent” shall have the meaning set forth in the Stadium Lease.

“Authority” shall mean the Economic Development Authority of the City of Richmond, Virginia, together with its successors and assigns.

“Bond Cost Payment” shall have the meaning set forth in Section 3(c).

“Bond-Related Costs” shall mean any amounts (other than Debt Service Requirements) payable by the Authority in connection with Public Infrastructure Bonds pursuant to the terms of the Trust Agreement, including, but not limited to, amounts necessary to (a) replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (b) pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the Trust Agreement and (c) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds.

“City” shall mean the City of Richmond, Virginia, together with its successors and assigns.

“Contract Performance Costs” shall mean the Authority’s reasonable costs incurred in the satisfaction of its undertakings pursuant to the Development Agreement and any other related agreements necessary to effect the transactions contemplated by the Development Agreement.

“Contract Performance Payment” shall have the meaning set forth in Section 3(a).

“Cooperation Term” shall have the meaning set forth in Section 12.

“Council” shall have the meaning set forth in the Recitals hereto.

“Debt Service Payment” shall have the meaning set forth in Section 3(b).

“Debt Service Requirements” shall mean the payments of principal and interest due on the Public Infrastructure Bonds on each principal and interest payment date.

“Development Agreement” shall have the meaning set forth in the Recitals hereto.

“Fiscal Year” shall mean the twelve-month period beginning July 1 of one year and ending June 30 of the following year.

“Mixed-Use Development” shall have the meaning set forth in the Recitals hereto.

“Public Infrastructure” shall have the meaning set forth in the Recitals hereto.

“Public Infrastructure Bonds” shall have the meaning set forth in the Recitals hereto.

“Rent Payments” shall mean all payments of Annual Rent due under the Stadium Lease.

“Stadium” shall have the meaning set forth in the Recitals hereto.

“Stadium Development Agreement” shall have the meaning set forth in the Recitals hereto.

“Stadium Lease” shall have the meaning set forth in the Recitals hereto.

“Stadium Project” shall have the meaning set forth in the Recitals hereto.

“Trust Agreement” shall have the meaning set forth in the Recitals hereto.

2. Financing of Public Infrastructure. Pursuant to the terms of the Development Agreement, the Authority will finance the costs of the Public Infrastructure through the issuance of the Public Infrastructure Bonds in accordance with the provisions of the Act.

3. City Support for Authority Undertakings. Subject to the provisions of Section 4, the City agrees to provide financial support to the Authority as follows:

(a) The City shall make payments to the Authority from time to time in amounts sufficient to enable the Authority to pay, or to reimburse the Authority for any prior payment of, Contract Performance Costs incurred by the Authority (each such payment by the City shall be referred to herein as a “Contract Performance Payment”).

(b) No later than 10 days prior to each principal or interest payment date on the Public Infrastructure Bonds, the City shall pay to the Authority or its assignee (which may include the bond trustee) an amount sufficient to satisfy the Debt Service Requirements on the Public Infrastructure Bonds on such principal or interest payment date (each such payment by the City shall be referred to herein as a “Debt Service Payment”). The City shall receive a credit against its undertaking to make each Debt Service Payment due under this Cooperation Agreement in an amount equal to (i) any amounts on deposit with the bond trustee under the Trust Agreement available to make the corresponding debt service payment on the Public Infrastructure Bonds and not previously applied as a credit with respect to any Debt Service Payment payable pursuant hereto and (ii) any Rent Payments received by the Authority and not previously applied by the Authority to pay debt service on the Public Infrastructure Bonds in accordance with the provisions of Section 5.

(c) No later than the date on which any Bond-Related Cost is required to be paid or funded by the Authority pursuant to the terms of the Trust Agreement, the City shall pay to the Authority or the bond trustee, as applicable, an amount sufficient to satisfy such payment or funding obligation (each such payment by the City shall be referred to herein as a “Bond Cost Payment”).

4. Appropriation of Funds.

(a) While recognizing that it is not empowered to make any binding commitment to make any Contract Performance Payments, Debt Service Payments or Bond Cost Payments beyond the current Fiscal Year, the Council in authorizing the execution of this Cooperation Agreement has stated its intent to make appropriations from time to time in amounts sufficient to make Contract Performance Payments, Debt Service Payments and Bond Cost Payments when due.

(b) Notwithstanding anything in this Cooperation Agreement to the contrary, the City's undertakings to make Contract Performance Payments, Debt Service Payments and Bond Cost Payments shall be subject to and dependent upon appropriations being made from time to time by the Council for such purposes; provided, however, that, during the Cooperation Term, the Chief Administrative Officer (or other officer charged with the responsibility for preparing the City's Annual Budget) will request that the Mayor include in the Mayor's proposed current expense budget for the general operation of the City government (the "Annual Budget") to be submitted to the Council for each Fiscal Year a recommendation to appropriate an amount equal to the scheduled Debt Service Requirements and any estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year. If the Mayor does not include such recommendation in the Mayor's proposed Annual Budget, the Chief Administrative Officer or other appropriate City officer will give notice thereof to the Authority and the bond trustee as soon as possible after the Mayor has submitted such proposed budget to the Council.

Throughout the term of this Cooperation Agreement, the Chief Administrative Officer or other appropriate City officer shall deliver to the Authority and the bond trustee within 15 days after the adoption of the Annual Budget for each Fiscal Year, a certificate stating whether an amount equal to the scheduled Debt Service Requirements and estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year has been appropriated by the Council in such Annual Budget.

If any adopted Annual Budget does not include an approval of funds sufficient to pay the scheduled Debt Service Requirements and estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year, the Council shall take a roll call vote immediately after adoption of such Annual Budget acknowledging the impact of its failure to approve such funds. In addition, the Chief Administrative Officer or other appropriate City officer shall deliver to the Authority and the bond trustee within 15 days after the beginning of each Fiscal Year, a certificate stating whether an amount equal to the scheduled Debt Service Requirements and estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year has been appropriated by the Council. If, by 15 days after the beginning of the Fiscal Year, the Council has not appropriated funds for the payment of the scheduled Debt Service Payments and estimated Contract Performance Payments and Bond Cost Payments for such Fiscal Year, the Chief Administrative Officer (or other officer charged with the responsibility for preparing the City's Annual Budget) shall (1) give written notice to the Council of the consequences of such failure to appropriate, including the possible effects upon the ability of the EDA to pay debt service on the Public Infrastructure Bonds and perform its obligations under the Development Agreement, and (2) request the Mayor to submit to the Council, as promptly as practicable, a request for an

amendment to the Annual Budget of the then-current Fiscal Year to include an additional appropriation that will provide sufficient moneys for such purposes.

If, during any Fiscal Year, the City determines that the actual Debt Service Requirements, Contract Performance Costs and Bond-Related Costs payable in such Fiscal Year will exceed the amount appropriated by the Council, the Chief Administrative Officer or other appropriate City officer charged with the responsibility for preparing the City's Annual Budget) (1) within 15 days of making such determination, shall notify the Authority and the bond trustee of such deficiency and (2) within 45 days of making such determination, request the Mayor to submit to the Council, as promptly as practicable, a request for an amendment to the Annual Budget of the then-current Fiscal Year to include an additional appropriation in an amount sufficient to satisfy such additional Annual Debt Funding Requirements, Contract Performance Costs and Bond-Related Costs. If the Council fails to make a supplemental appropriation of a sufficient amount within 75 days of such determination by the Chief Administrative Officer or other appropriate City officer, the Council shall take a roll call vote immediately after such failure acknowledging the impact of its failure to approve such funds. In addition, the Chief Administrative Officer or other appropriate City officer shall deliver to the Authority and the bond trustee no later than 15 days after such action by the Council, a certificate stating whether an amount sufficient to satisfy such additional Debt Service Requirements, Contract Performance Costs and Bond-Related Costs has been appropriated by the Council.

(c) For the avoidance of doubt, in no event shall the failure to appropriate funds hereunder for any reason constitute a default or an event of default by the City under this Cooperation Agreement.

5. Application of Rent Payments. The Team will make quarterly Rent Payments to the Authority for the term set forth in and in accordance with the provisions of the Stadium Lease. Although the Authority will not pledge the Rent Payments as security for the payment of the Public Infrastructure Bonds, the Authority and the City hereby agree that the Authority shall apply the Rent Payments as described herein to pay debt service on the Public Infrastructure Bonds and for no other purpose. For so long as any Public Infrastructure Bonds remain outstanding, the Authority shall transfer each quarterly Rent Payment to the bond trustee to satisfy the Debt Service Requirements. Any Rent Payments applied in satisfaction of the Debt Service Requirement for a principal or interest payment date shall be credited against the City's undertaking to make the corresponding Debt Service Payment pursuant to Section 3(b), and, subject to the provisions of Section 4, the City shall only make a Debt Service Payment equal to the amount by which the Debt Service Requirement for such principal or interest payment date exceeds such Rent Payments and any other funds available under the Trust Agreement to make such debt service payment as described in Section 3(b).

6. Assignment.

(a) Neither the City nor the Authority shall have the right to assign or transfer their respective rights, liabilities and obligations under this Cooperation Agreement to any person without the prior written consent of the other party. This Cooperation Agreement shall be binding upon, inure to the benefit of and be enforceable by the City and the Authority and their respective successors and permitted assigns. So long as any Public Infrastructure Bonds remain outstanding,

any assignment or transfer of either party's rights, liabilities or obligations under this Cooperation Agreement shall be subject to such additional conditions or limitations, if any, as may be set forth in the Trust Agreement.

(b) The Authority's rights, title and interest to (i) receive Debt Service Payments under Section 3(b), (ii) receive Bond Cost Payments under Section 3(c), but only to the extent such Bond Cost Payments relate the replenishment of any debt service reserve fund established in connection with the Public Infrastructure Bonds and (iii) seek performance by the City of its undertakings pursuant to Section 4 are hereby assigned to the bond trustee as security for the payment in full of the Public Infrastructure Bonds. By its execution and delivery of this Cooperation Agreement, the City has evidenced its consent to such assignment. Notwithstanding any provision of this Cooperation Agreement or the Trust Agreement to the contrary, neither the bond trustee nor the holders of the Public Infrastructure Bonds shall have any rights, title or interest with respect to the application of Rent Payments pursuant to Section 5.

(c) The City consents to any such assignment by the Authority to the bond trustee for the benefit of the holders of the Public Infrastructure Bonds.

7. Notices. Any notice, request or other deliveries required to be given hereunder will be deemed given if sent by registered or certified mail, or overnight delivery service, postage prepaid, addressed to the following addresses:

City:	Chief Administrative Officer City of Richmond, Virginia 900 East Broad Street, Suite 201 Richmond, Virginia 23219
with a copy to:	City Attorney City of Richmond, Virginia 900 East Broad Street, Suite 400 Richmond, Virginia 23219
Authority:	Chairman Economic Development Authority of the City of Richmond, Virginia 1500 East Main Street; 4 th Floor Richmond, Virginia 23219
with a copy to:	General Counsel Economic Development Authority of the City of Richmond, Virginia 900 East Broad Street, Suite 400 Richmond, Virginia 23219

Either party may designate any other address for notices or requests by giving notice under this Section 7.

8. Amendments. This Cooperation Agreement may only be supplemented, amended or modified in writing signed by each of the parties hereto or their successors and assigns. So long as any Public Infrastructure Bonds remain outstanding, any supplement, amendment or modification to this Cooperation Agreement shall be subject to such additional conditions or limitations, if any, as shall be set forth in the Trust Agreement. Notwithstanding any provision of this Cooperation Agreement or the Trust Agreement to the contrary, neither the bond trustee nor the holders of the Public Infrastructure Bonds shall have any right to consent to any supplements, modifications or amendments to the provisions of Section 5 of this Cooperation Agreement.

9. Limited Liability of City. Notwithstanding any provision of this Cooperation Agreement to the contrary, the undertakings of the City hereunder are not general obligations of the City, but are limited obligations payable solely from payments of Contract Performance Payments, Debt Service Payments and Bond Cost Payments. No officer, official, employee or agent of the City shall be personally liable on the City's obligations hereunder.

10. Governing Law and Venue. This Cooperation Agreement will be governed by the laws of the Commonwealth of Virginia without regard to its conflict of law rules. Any action or dispute arising out of this Cooperation Agreement that cannot be resolved among the parties will be resolved in the City of Richmond Circuit Court or in the United States District Court, Eastern District of Virginia, Richmond Division and in no other forum.

11. Severability. If any clause, provision or section of this Cooperation Agreement shall be held illegal or invalid by any court, the illegality or invalidity of such clause, provision or section shall not affect the remainder of this Cooperation Agreement, which shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained in this Cooperation Agreement.

12. Term of Cooperation Agreement. This Cooperation Agreement shall remain in full force and effect from the date hereof until the later of (a) the date on which of the Term of the Development Agreement expires and (b) the date on which all Public Infrastructure Bonds have been paid in full or otherwise deemed no longer outstanding (the "Cooperation Term").

13. Counterparts. This Cooperation Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which together will constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank;
Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have each caused this Cooperation Agreement to be executed in their respective names as of the date first above written.

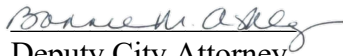
CITY OF RICHMOND, VIRGINIA

By_____

Name:_____

Title:_____

Approved as to form:


Deputy City Attorney

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

By_____

Name:_____

Title:_____

**Authorize the Issuance of Bonds to Finance
the Infrastructure for Phase 1 of the Diamond
District Development**

**RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF
THE CITY OF RICHMOND, VIRGINIA, APPROVING A PLAN TO
FINANCE PUBLIC INFRASTRUCTURE IMPROVEMENTS IN
CONNECTION WITH THE DIAMOND DISTRICT REDEVELOPMENT
PROJECT THROUGH THE ISSUANCE OF REVENUE BONDS IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000**

WHEREAS, the Economic Development Authority of the City of Richmond, Virginia (the “Authority”), pursuant to the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “IDA Act”), under which it was created, is authorized to exercise all the powers set forth in the IDA Act, which include, among other things, the power to make loans to, among others, a city in furtherance of the purposes of the IDA Act, to finance or refinance facilities for use by, among others, a city, to issue its revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority in connection with its loans or from any other source, as security for the payment of the principal of and premium, if any, and interest on any such obligations;

WHEREAS, the City of Richmond, Virginia (the “City”), the Authority and Diamond District Partners, LLC (the “Developer”), have entered into a Purchase and Sale and Development Agreement dated May 15, 2024 (the “Development Agreement”), to provide for the redevelopment of a portion of the Greater Scott’s Addition area that is known as the “Diamond District” and is home to The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies;

WHEREAS, the Development Agreement provides for the development of a full spectrum of new, privately financed housing (including both market rate and affordable housing), retail and office spaces and a hotel within the Diamond District and certain publicly financed public infrastructure that will serve the Diamond District and connect the project area with adjacent communities (as further described herein, the “Public Infrastructure”);

WHEREAS, such Public Infrastructure will include some or all of the following: (a) park and public space improvements, (b) parking facilities, (c) cultural facilities, (d) water, sewer, storm water, gas and electric utility improvements, (e) utility installations, relocations and abandonments, (f) road, alley and sidewalk improvements and (g) streetlight, traffic signal, traffic control, street signage, curb, gutter, streetscape and landscaping improvements;

WHEREAS, in connection with the redevelopment of the Diamond District, the Authority intends to enter into a Stadium Development Agreement (the “Stadium Development Agreement”) with Navigators Baseball, LP (the “Team”), to provide for the design, construction and delivery of a new minor league baseball stadium (the “Stadium”) that will anchor the new mixed-use development project;

WHEREAS, the Authority intends to enter into a Stadium Lease (the “Stadium Lease”) with the Team to provide for the Team’s lease and use of the Stadium;

WHEREAS, pursuant to the terms of the Development Agreement, the Authority will undertake to finance the costs of the design, construction and equipping of the Public Infrastructure (the “Public Infrastructure Project”), which costs may include, without limitation, the costs of site preparation work and such other expenses as may be necessary or incidental to the acquisition, development and construction of such Public Infrastructure, through the issuance and sale of one or more series of revenue bonds (the “Public Infrastructure Bonds”);

WHEREAS, the Public Infrastructure Bonds will be secured by and payable from amounts appropriated by the Council of the City of Richmond, Virginia (the “Council”), for such purpose but are expected to be paid from rent payments made by the Team to the Authority pursuant to the Stadium Lease (the “Rent Payments”);

WHEREAS, by ordinance adopted on May 8, 2024, the Council has indicated its desire to assist the Authority in the performance of its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease and the financing of the Public Infrastructure and authorized the execution of a Cooperation Agreement with the Authority (the “Cooperation Agreement”), pursuant to which (a) the City will agree, subject to annual appropriation by the Council of sufficient amounts for such purposes, to make available to the Authority such funds as may be necessary to enable the Authority to (i) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (ii) pay the debt service on the Public Infrastructure Bonds, (iii) if applicable, replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (iv) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued and (v) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds and (b) the Authority will agree to apply the Rent Payments to pay debt service on the Public Infrastructure Bonds and to credit such Rent Payments toward the City’s undertaking to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds;

WHEREAS, the Authority now desires to authorize the issuance of the Public Infrastructure Bonds and the execution of the Cooperation Agreement; and

WHEREAS, there have been circulated prior to this meeting drafts of the following documents (collectively, the “Documents”) proposed to be executed in connection with the issuance and sale of the Bonds:

- (a) An Agreement of Trust and a form of Supplemental Agreement of Trust (together, the “Trust Agreement”), each between the Authority and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), pursuant to which the Public Infrastructure Bonds are to be issued;
- (b) The Cooperation Agreement; and
- (c) A Preliminary Official Statement of the Authority relating to the public offering of the Public Infrastructure Bonds (the “Preliminary Official Statement”);

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

1. The Authority hereby finds that the undertaking of the Public Infrastructure Project will be in the best interests of the City and its citizens and hereby authorizes the Authority, in collaboration with the City, to undertake the following plan of finance to accomplish the same. The Authority will issue the Public Infrastructure Bonds in an aggregate principal amount not to exceed \$40,000,000 and use the proceeds thereof to finance the Public Infrastructure Project and to pay the related costs of issuance. Pursuant to the Cooperation Agreement, the City will undertake to make certain Debt Service Payments and Bond Cost Payments (each as defined in the Cooperation Agreement) to the Authority in amounts sufficient to amortize the Public Infrastructure Bonds, to pay the fees or expenses of the Authority and the Trustee and to pay certain other related costs. The obligation of the Authority to pay principal of and premium, if any, and interest on the Public Infrastructure Bonds will be limited to the Debt Service Payments and certain Bond Cost Payments received from the City, provided that the Authority will apply the Rent Payments, if any, to pay debt service on the Public Infrastructure Bonds and credit such Rent Payments toward the City's undertaking to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds. The Public Infrastructure Bonds will be secured by an assignment of the Debt Service Payments and certain Bond Cost Payments due under the Cooperation Agreement, all for the benefit of the holders of the Public Infrastructure Bonds. The undertaking by the City to make Debt Service Payments, Bond Cost Payments and Contract Performance Payments (as defined in the Cooperation Agreement) will be subject to the appropriation by the Council from time to time of sufficient amounts for such purposes. The plan of finance for the Public Infrastructure Project shall contain such additional requirements and provisions as may be approved by the Chair or Vice Chair of the Authority, in consultation with the Chief Administrative Officer and the Director of Finance of the City.

2. The Public Infrastructure Bonds shall bear such designation as the Chair or Vice Chair of the Authority may determine. Subject to Section 3, the Authority hereby authorizes the issuance of the Public Infrastructure Bonds in one or more series pursuant to the Trust Agreement and which may be in the form of bonds or notes, all as the Chair or Vice Chair may determine to be in the best interests of the Authority and the City, provided that (a) the aggregate principal amount of Public Infrastructure Bonds shall not exceed \$40,000,000, (b) the "true" or "Canadian" interest cost of each series of Public Infrastructure Bonds shall not exceed 8.0% (taking into account any original issue discount or premium), (c) the Public Infrastructure Bonds shall mature or be subject to mandatory sinking fund redemption in annual installments ending no later than December 31, 2058, (d) the Public Infrastructure Bonds shall be sold to the initial purchaser(s) or underwriter(s) thereof at a price not less than 97% of the aggregate principal amount thereof (without taking into account any original issue discount or premium), and (e) the redemption prices of the Public Infrastructure Bonds shall not exceed 102% of the principal amount to be redeemed (except that the Chair or Vice Chair may agree to "make whole" redemption prices if such officer determines it is in the best interest of the Authority and the City). The Chair and Vice Chair of the Authority, either of whom may act, are also authorized to approve, in collaboration with the City's Chief Administrative Officer and Director of Finance, a lesser aggregate principal amount for the Public Infrastructure Bonds, maturity schedules (including serial maturities and term maturities for the Public Infrastructure Bonds) and the redemption provisions of the Public Infrastructure Bonds, all as such officer shall determine to be in the best interests of the Authority and the City.

3. The Authority approves the following terms of the sale of the Public Infrastructure Bonds:

(a) The Public Infrastructure Bonds shall be sold through one or more of the following methods: (i) a direct bank loan with a banking or other financial institution, (ii) a public offering through a competitive sale or (iii) a public offering or a limited offering through a negotiated underwriting, as the Chair or Vice Chair of the Authority, together with the Chief Administrative Officer or Director of Finance of the City, shall determine to be in the best interests of the Authority and the City.

(b) If the Chair or Vice Chair determines all that all or a portion of the Public Infrastructure Bonds shall be sold through a direct bank loan, the Chair or Vice Chair is authorized, on behalf of the Authority and in collaboration with the City's financial advisor, Davenport & Company LLC (the "Financial Advisor"), to solicit bids from banking and other financial institutions, to determine which bid (or bids) offers the best terms to the Authority, and, subject to the limitations set forth in Section 2, to arrange for the issuance such Public Infrastructure Bonds to such banking or other financial institution(s). The Chair or Vice Chair is authorized to execute and deliver to such banking or other financial institution(s) such additional agreements and certificates in the form approved by the Chair or Vice Chair and the City Attorney, in consultation with the Authority's bond counsel and the Financial Advisor, and not otherwise inconsistent with this Resolution. Following a direct bank loan, the Chair or Vice Chair shall file a certificate with the Authority and the Council setting forth the final terms of such Public Infrastructure Bonds. The actions of the Chair or Vice Chair in selling such Public Infrastructure Bonds through a direct bank loan shall be conclusive, and no further action with respect to the sale and issuance of such Public Infrastructure Bonds shall be necessary on the part of the Authority.

(c) If the Chair or Vice Chair determines that all or a portion of the Public Infrastructure Bonds shall be sold by competitive sale, the Chair or Vice Chair is authorized, on behalf of the Authority and in collaboration with the Financial Advisor, to take all proper steps to advertise such Public Infrastructure Bonds for sale, to receive public bids for such Public Infrastructure Bonds and to award such Public Infrastructure Bonds to the bidder(s) providing the lowest "true" or "Canadian" interest cost, subject to the limitations set forth in Section 2. Following a competitive sale, the Chair or Vice Chair shall file a certificate with the Authority and the Council setting forth the final terms of such Public Infrastructure Bonds. The actions of the Chair or Vice Chair in selling such Public Infrastructure Bonds by competitive sale shall be conclusive, and no further action with respect to the sale and issuance of such Public Infrastructure Bonds shall be necessary on the part of the Authority.

(d) If the Chair or Vice Chair determines that all or a portion of the Public Infrastructure Bonds shall be sold by negotiated sale, the Chair or Vice Chair is authorized, on behalf of the Authority and in collaboration with the Financial Advisor, to choose one or more investment banks or firms to serve as underwriter(s) for such Public Infrastructure Bonds and to execute and deliver to the underwriter(s) one or more bond purchase agreements (each a "Bond Purchase Agreement") in the form approved by the Chair or Vice Chair and the City Attorney, in consultation with the Authority's bond counsel and

the Financial Advisor. The final Bond Purchase Agreements(s) shall reflect the final pricing terms and such other completions, omissions, insertions and changes as either the Chair or Vice Chair shall approve, subject to the limitations set forth in Section 2 and not otherwise inconsistent with this Resolution. No further action with respect to the sale and issuance of such Public Infrastructure Bonds shall be necessary on the part of the Authority.

4. The Chair and Vice Chair of the Authority, either of whom may act, are hereby authorized and directed to execute the Documents (including one or more Supplemental Trust Agreements and the form of the Public Infrastructure Bonds attached thereto, but excluding the Preliminary Official Statement), which shall be generally in the forms circulated prior to this meeting. Such forms of the Documents are hereby approved, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officer executing such Documents and the City Attorney (in consultation with the Authority's bond counsel and the Financial Advisor). The execution and delivery of the Documents shall constitute conclusive evidence of such officer's approval of any such completions, omissions, insertions and changes.

5. If the Chair or Vice Chair of the Authority determines that all or a portion of the Public Infrastructure Bonds shall be sold by competitive or negotiated underwriting, the Authority authorizes distribution of the Preliminary Official Statement (or, if such Public Infrastructure Bonds are to be sold as a limited offering, a Preliminary Limited Offering Memorandum in a form consistent with the form of the Preliminary Official Statement circulated prior to this meeting) to prospective purchasers of the Public Infrastructure Bonds in a form deemed to be "final" (within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule")) as of its date, except for the omission of certain pricing and other information permitted to be omitted pursuant to the Rule and with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the Chair or Vice Chair of the Authority, in collaboration with the City and the Financial Advisor. Such distribution shall constitute conclusive evidence of the approval of the Chair or Vice Chair as to any such completions, omissions, insertions and changes and that the Authority has deemed the Preliminary Official Statement (or, if applicable, the Preliminary Limited Offering Memorandum) to be "final" (within the meaning of the Rule) as of its date.

6. If the Chair or Vice Chair of the Authority determines that all or a portion of the Public Infrastructure Bonds shall be sold by competitive or negotiated underwriting, the Chair and Vice Chair, either of whom may act, are hereby authorized and directed to approve such completions, omissions, insertions and other changes to the Preliminary Official Statement (or, if applicable, the Preliminary Limited Offering Memorandum) as are necessary to reflect the terms of the sale of the Public Infrastructure Bonds and the details thereof and as are appropriate to complete it as an official statement in final form (the "Official Statement") (or, if applicable, a limited offering memorandum in final form (the "Limited Offering Memorandum")) and to execute and deliver the Official Statement (or, if applicable, the Limited Offering Memorandum). The Director of Finance of the City is hereby authorized on behalf of the Authority to distribute the Official Statement (or, if applicable, the Limited Offering Memorandum) to the underwriter(s) of the Public Infrastructure Bonds. Execution of the Official Statement (or, if applicable, the Limited Offering Memorandum) by the Chair or Vice Chair shall constitute conclusive evidence of such officer's approval of any such completions, omissions, insertions and changes and that the

Official Statement (or, if applicable, the Limited Offering Memorandum) has been deemed “final” by the Authority as of its date within the meaning of the Rule.

7. The Chair and Vice Chair of the Authority, either of whom may act, are hereby authorized and directed to execute the Public Infrastructure Bonds by manual or facsimile signature, the Secretary and Assistant Secretary, either of whom may act, are hereby authorized and directed to affix the seal of the Authority to or print a facsimile thereof on the Public Infrastructure Bonds and to attest the same by manual or facsimile signature, and the officers of the Authority are hereby authorized and directed to deliver the Public Infrastructure Bonds to the Trustee for authentication and delivery to the initial purchaser(s) or underwriter(s) thereof upon payment therefor.

8. All costs and expenses incurred in connection with the financing of the Public Infrastructure Project and the issuance of the Public Infrastructure Bonds, including the Authority’s fees and expenses and the fees and expenses of bond counsel, counsel for the Authority and the Financial Advisor for the sale of the Public Infrastructure Bonds, shall be paid from the proceeds of the Public Infrastructure Bonds or other legally available funds of the City. If for any reason the Public Infrastructure Bonds are not issued, it is understood that all such fees and expenses shall be paid by the City from its legally available funds and that the Authority shall have no responsibility therefor.

9. The officers of the Authority are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Public Infrastructure Bonds, including without limitation (a) executing and delivering a certificate setting forth the expected use and investment of the proceeds of the Public Infrastructure Bonds to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations thereunder, applicable to “arbitrage bonds,” (b) making any elections that such officers deem desirable regarding any provision requiring rebate to the United States of “arbitrage profits” earned on investment of proceeds of the Public Infrastructure Bonds, (c) providing for the City to pay any such rebate amount and (d) filing Internal Revenue Service Form 8038-G. The foregoing shall be subject to the advice, approval and direction of bond counsel.

10. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto.

11. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Public Infrastructure Bonds and the financing of the Public Infrastructure Project are hereby approved and ratified.

12. This Resolution shall take effect immediately.

[_____] SUPPLEMENTAL AGREEMENT OF TRUST

between

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

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee**

Dated as of [____ _], 2024

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THIS [] SUPPLEMENTAL AGREEMENT OF TRUST dated as of the [] day of [], 2024, by and between the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the “Authority”), and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association, having a corporate trust office in [Richmond, Virginia], as trustee (in such capacity, together with any successor in such capacity, herein called the “Trustee”), provides:

WHEREAS, the Authority and the Trustee have entered into an Agreement of Trust dated as of [] 1, 2024 (the “Master Trust Agreement”), pursuant to which the Authority has agreed to issue from time to time local mobility improvement revenue bonds or notes and use the proceeds thereof to finance or refinance costs incurred in connection with certain Projects (as hereinafter defined);

WHEREAS, within the limitations of and in compliance with the Master Trust Agreement, the Authority has determined to issue an [initial] series of revenue bonds in the aggregate principal amount of \$[] (the “[Series 20] Bonds”) and use the proceeds thereof to finance the costs of the Series [20] Project (as described herein);

WHEREAS, the Authority has agreed to issue the Series [20] Bonds, secured by a pledge of the revenues and receipts derived from a Cooperation Agreement dated as of [] 1, 2024 (the “Cooperation Agreement”), between the Authority and the City of Richmond, Virginia (the “City”), and the City has agreed, subject to the appropriation by the Council of the City from time to time of sufficient amounts for such purposes, to make Debt Service Payments that will be sufficient to pay the principal of and interest on such the Series [20] Bonds as the same shall become due; and

WHEREAS, the Authority has taken all necessary action to make the Series [20] Bonds, when authenticated by the Trustee and issued by the Authority, valid and binding limited obligations of the Authority and to constitute this [] Supplemental Agreement a valid and binding agreement authorizing and providing for the details of the Series [20] Bonds;

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

[] SUPPLEMENTAL AGREEMENT

Section 1.101 Authorization of [] Supplemental Agreement.

This [] Supplemental Agreement is authorized and executed by the Authority and delivered to the Trustee pursuant to and in accordance with Articles III and X of the Master Trust Agreement. All terms, covenants, conditions and agreements of the Master Trust Agreement shall apply with full force and effect to the Series [20] Bonds and to the holders thereof, except as otherwise provided in this [] Supplemental Agreement.

Section 1.102 Definitions.

Except as otherwise defined in this [____] Supplemental Agreement, capitalized terms defined in the Master Trust Agreement are used in this [____] Supplemental Agreement with the meanings assigned to them in the Master Trust Agreement. In addition, the following capitalized terms shall have the following meanings unless a different meaning clearly appears from the context:

“Closing Date” shall mean [____], 20__].

“[____] Supplemental Agreement” shall mean this [____] Supplemental Agreement of Trust between the Authority and the Trustee, which supplements and amends the Master Trust Agreement.

“Letter of Representations” shall mean the Blanket Letter of Representations dated [____], from the Authority to the Securities Depository and any amendments thereto or successor agreements between the Authority and any successor Securities Depository with respect to the Series [20__] Bonds. Notwithstanding any provision of the Master Trust Agreement, including Article X regarding amendments, the Trustee may enter into any such amendment or successor agreement without the consent of Bondholders.

“Securities Depository” shall mean The Depository Trust Company, a corporation organized and existing under the laws of the State of New York, and any other securities depository for the Series [20__] Bonds appointed pursuant to Section [____.204], and their successors.

“Series [20__] Bonds” shall mean the Authority’s \$[____] [Revenue Bonds (Diamond District Project), Series 20__], authorized to be issued pursuant to this [____] Supplemental Agreement.

“Series [20__] Project” shall mean [____].

“Series [20__] Project Account” shall mean the Series [20__] Project Account established in Section [____.501] of this [____] Supplemental Agreement.

Section 1.103 Rules of Construction.

The following rules shall apply to the construction of this [____] Supplemental Agreement unless the context otherwise requires:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) Words importing the redemption or calling for redemption of Series [20__] Bonds shall not be deemed to refer to or connote the payment of Series [20__] Bonds at their stated maturity.

(c) Unless otherwise indicated, all references herein to particular Articles or Sections are references to Articles or Sections of this [____] Supplemental Agreement.

(d) The headings herein and Table of Contents to this [] Supplemental Agreement herein are solely for convenience of reference and shall neither constitute a part of this [] Supplemental Agreement nor affect its meaning, construction or effect.

(e) All references herein to payment of Series [20] Bonds are references to payment of principal of and interest on the Series [20] Bonds.

ARTICLE II

AUTHORIZATION, DETAILS AND FORM OF SERIES [20] BONDS

Section 1.201 Authorization of Series [20] Bonds and Series [20] Project.

There are hereby authorized to be issued the Series [20] Bonds in an aggregate principal amount of \$[] to finance the Cost of the Series [20] Project in accordance with Article IV hereof.

Section 1.202 Details of Series [20] Bonds.

(a) The Series [20] Bonds shall be designated “[Revenue Bonds (Diamond District Project), Series 20],” shall be dated the Closing Date, shall be issuable only as fully registered bonds in denominations of \$5,000 and integral multiples thereof and shall be numbered [R-1] upward. The Series [20] Bonds shall bear interest at rates, payable semiannually on each [] and [], beginning [], and shall mature in installments on [] in years and amounts, as follows:

Year	Amount	Rate	Year	Amount	Rate
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(b) Each Series [20] Bond shall bear interest (1) from its date, if such Series [20] Bond is authenticated prior to the first interest payment date, or (2) otherwise from the interest payment date that is, or immediately precedes, the date on which such Series [20] Bond is authenticated; provided, however, that if at the time of authentication of any Series [20] Bond payment of interest is in default, such Series [20] Bond shall bear interest from the date to which interest has been paid. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

(c) Principal of the Series [20] Bonds shall be payable to the registered holder(s) upon the surrender of Series [20] Bonds at the designated corporate trust office of the Trustee in Richmond, Virginia, or such other office as the Trustee may designate in writing, from time to time. Interest on the Series [20] Bonds shall be payable by check or draft mailed to the registered owners at their addresses as they appear on the registration books kept by the Trustee on [the 15th day of the month preceding the month in which each interest payment date occurs]; provided, however, if the Series [20] Bonds are registered in the name of a Securities Depository or its nominee as registered holder or at the option of any registered holder of at least \$1,000,000 of Series [20] Bonds, payment shall be made by wire transfer pursuant to the wire instructions received by the Trustee from such registered holder(s). Principal and interest shall be payable in lawful money of the United States of America.

Section 1.203 Form of Series [20__] Bonds.

The Series [20__] Bonds shall be in substantially the form set forth in Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by the Master Trust Agreement and this [_____] Supplemental Agreement.

Section 1.204 Securities Depository Provisions.

Initially, one certificate for each maturity of the Series [20__] Bonds will be issued and registered to the Securities Depository, or its nominee pursuant to the terms of the Letter of Representations relating to the book-entry system to be maintained by the Securities Depository with respect to the Series [20__] Bonds.

In the event that (a) the Securities Depository determines not to continue to act as a securities depository for the Series [20__] Bonds by giving notice to the Trustee and the Authority discharging its responsibilities hereunder or (b) the Authority, at the direction of the City, determines (1) that beneficial owners of Series [20__] Bonds shall be able to obtain certificated Series [20__] Bonds or (2) to select a new Securities Depository, then the Trustee shall, at the direction of the Authority, attempt to locate another qualified securities depository to serve as Securities Depository or authenticate and deliver certificated Series [20__] Bonds to the beneficial owners or to the Securities Depository participants on behalf of beneficial owners substantially in the form provided for in Exhibit A; provided, however, that such form shall provide for interest on the Series [20__] Bonds to be payable (x) from the Closing Date, if it is authenticated prior to [_____, ____], or (y) otherwise from the [_____] or [_____] that is, or immediately precedes, the date on which it is authenticated (unless payment of interest thereon is in default, in which case interest on such Series [20__] Bonds shall be payable from the date to which interest has been paid). In delivering certificated Series [20__] Bonds, the Trustee shall be entitled to rely conclusively on the records of the Securities Depository as to the beneficial owners or the records of the Securities Depository participants acting on behalf of beneficial owners. Such certificated Series [20__] Bonds will be registrable, transferable and exchangeable as set forth in Sections 204 and 205 of the Master Trust Agreement.

So long as there is a Securities Depository for the Series [20__] Bonds, (A) it or its nominee shall be the registered holder(s) of the Series [20__] Bonds; (B) notwithstanding anything to the contrary in this [_____] Supplemental Agreement, determinations of persons entitled to payment of principal and interest, transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Securities Depository and shall be effected pursuant to rules and procedures established by such Securities Depository; (C) the Authority and the Trustee shall not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants; (D) references in this [_____] Supplemental Agreement to registered holder(s) of the Series [20__] Bonds shall mean such Securities Depository or its nominee and shall not mean the beneficial owners of the Series [20__] Bonds; and (E) in the event of any inconsistency between the provisions of this [_____] Supplemental Agreement, other than those set forth in this paragraph and the preceding paragraph, and the provisions of the Letter of Representations such provisions of the Letter of Representations shall control.

Section 1.205 Delivery of Series [20__] Bonds.

The Trustee shall authenticate and deliver the Series [20__] Bonds when there have been filed with or delivered to it all items required by Section 303 of the Master Trust Agreement.

ARTICLE III

REDEMPTION OF SERIES [20__] BONDS

Section 1.301 Redemption Date and Price.

The Series [20__] Bonds may not be called for redemption by the Authority, at the direction of the City, except as stated herein. The Series [20__] Bonds maturing on and before [____, __], will not be subject to redemption prior to maturity. The Series [20__] Bonds maturing on and after [____, __], will be subject to redemption prior to maturity, at the option of the Authority, at the direction of the City, on or after [____, __], in whole or in part (in \$5,000 integral multiples) at any time, upon payment of 100% of the principal amount to be redeemed, plus interest accrued to the date fixed for redemption.

Section 1.302 Selection of Series [20__] Bonds for Redemption.

If less than all of the Series [20__] Bonds are called for optional redemption, the maturities or sinking fund installments of the Series [20__] Bonds to be redeemed shall be selected by the Authority, at the direction of the City. If less than all of the Series [20__] Bonds of a maturity or a sinking fund installment thereof are called for optional redemption, the specific Series [20__] Bonds within such maturity or sinking fund installment to be redeemed shall be selected by the Securities Depository or any successor securities depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Trustee by lot in such manner as the Trustee in its discretion may determine. The portion of any Series [20__] Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof. In selecting Series [20__] Bonds for redemption, each Series [20__] Bond shall be considered as representing that number of Series [20__] Bonds that is obtained by dividing the principal amount of such Series [20__] Bond by \$5,000. If a portion of a Series [20__] Bond shall be called for redemption, a new Series [20__] Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

Section 1.303 Notice of Redemption.

Notice of redemption of Series [20__] Bonds shall be given in the manner set forth in Section 402 of the Master Trust Agreement.

ARTICLE IV

APPLICATION OF PROCEEDS OF SERIES [20__] BONDS

Section 1.401 Application of Proceeds of Series [20__] Bonds.

The net proceeds of the Series [20__] Bonds (\$[___]) shall be paid to the Trustee and deposited in the Series [20__] Project Account in the Project Fund.

ARTICLE V

ESTABLISHMENT OF ACCOUNTS

Section 1.501 Series [20__] Project Account.

There shall be established within the Project Fund a special account entitled "Series [20__] Project Account." The portion of the proceeds of the Series [20__] Bonds specified in Section [__.401] shall be deposited in the Series [20__] Project Account. Money in the Series [20__] Project Account shall be used in accordance with the provisions of Section 503 of the Master Trust Agreement.

Section 1.502 Debt Service Reserve Fund.

[No Series account shall be established in the Debt Service Reserve Fund in connection with the Series [20__] Bonds, and no monies in the Debt Service Reserve Fund (if later funded in connection with the issuance of Additional Bonds) shall secure the Series [20__] Bonds.]

ARTICLE VI

SECURITY FOR SERIES [20__] BONDS

Section 1.601 Security for Series [20__] Bonds.

The Series [20__] Bonds shall be equally and ratably secured under the Master Trust Agreement with any other Series issued pursuant to Article III of the Master Trust Agreement, without preference, priority or distinction of any Bonds over any other Bonds, except as provided in the Master Trust Agreement.

ARTICLE VII

MISCELLANEOUS

Section 1.701 Limitations on Use of Proceeds.

The Authority intends that interest on the Series [20__] Bonds shall be excluded from gross income for federal income tax purposes. The Authority covenants with the holders of the Series [20__] Bonds not to take any action that would adversely affect, and to take all action within its

power necessary to maintain, the exclusion of interest on all Series [20__] Bonds from gross income for federal income tax purposes.

Section 1.702 Limitation of Rights.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this [_____] Supplemental Agreement or the Series [20__] Bonds is intended or shall be construed to give to any person other than the parties hereto and the holders of Series [20__] Bonds any legal or equitable right, remedy or claim under or in respect to this [_____] Supplemental Agreement or any covenants, conditions and agreements herein contained since this [_____] Supplemental Agreement and all of the covenants, conditions and agreements hereof are intended to be and are for the sole and exclusive benefit of the parties hereto and the holders of Series [20__] Bonds as herein provided.

Section 1.703 Severability.

If any provision of this [_____] Supplemental Agreement shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof and this [_____] Supplemental Agreement shall be construed and enforced as if such illegal provision had not been contained herein.

Section 1.704 Successors and Assigns.

This [_____] Supplemental Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 1.705 Applicable Law.

This [_____] Supplemental Agreement shall be governed by the applicable laws of the Commonwealth of Virginia.

Section 1.706 Counterparts.

This [_____] Supplemental Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Section 1.707 Patriot and U.S.A. Freedom Act Requirements of Trustee.

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee may request documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Authority and the Trustee have caused this [_____] Supplemental Agreement to be executed in their respective corporate names as of the date first above written.

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

By _____
[_____, Chair]

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**

as Trustee

By _____
[____], [_____]

Acknowledged and Consented To:

CITY OF RICHMOND, VIRGINIA

By _____
[_____, _____]

EXHIBIT A

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange, or payment, and any certificate is registered in the name of Cede & Co., or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

REGISTERED

REGISTERED

[R-1]

\$[_____]

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

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

**[Revenue Bond (Diamond District Project),
Series [20__]]**

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
[__]%	[__ __, 20__]	[__ __, 20__]	[____ _]

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: [_____] DOLLARS

The Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia (the "Authority"), for value received, hereby promises to pay upon surrender hereof at the designated corporate trust office of U.S. Bank Trust Company, National Association, Richmond, Virginia, as trustee, or its successor in trust (the "Trustee"), under the Trust Agreement (as hereinafter defined) solely from the sources and as hereinafter provided, to the registered owner hereof, or its registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay, solely from such source, interest hereon on each [__ __] and [__ __], beginning [__ __, __], at the annual rate stated above, calculated on the basis of a 360-day year of twelve 30-day months. Interest is payable (a) from the Dated Date, if this bond is authenticated prior to [__ __, __], or (b) otherwise from the [__ __] or [__ __] that is, or immediately precedes, the date on which this bond is authenticated (unless payment of interest hereon is in default, in which case this bond shall bear interest from the date to which interest has been paid). Interest is payable by check or draft mailed to the registered owner hereof at its address as it appears on [the 15th day of the month preceding the month in which each interest payment date occurs] on registration books kept by the Trustee; provided, however, that (x) if the [20__]

Bonds (as hereinafter defined) are registered in the name of The Depository Trust Company (“DTC”), or any successor securities depository, or its nominee as registered owner or (y) at the option of a registered owner of at least \$1,000,000 of [20__] Bonds, payment will be made by wire transfer pursuant to the most recent wire instructions received by the Trustee from such registered owner. If such interest payment date is not a Business Day (as defined in the Trust Agreement), such payment shall be made on the next succeeding Business Day with the same effect as if made on the day such payment was due and no interest shall accrue hereon. Principal and interest are payable in lawful money of the United States of America.

Notwithstanding any other provision hereof, this bond is subject to book-entry form maintained by DTC, and the payment of principal and interest, the providing of notices and other matters shall be made as described in the Authority’s Letter of Representations to DTC.

This bond is one of an issue of \$[_____] [Revenue Bonds (Diamond District Project), Series [20__] (the “[20__] Bonds”)], authorized and issued pursuant to the Virginia Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended. The [20__] Bonds are issued under and secured by an Agreement of Trust dated as of [__] 1, 2024, between the Authority and the Trustee, as supplemented by a [_____] Supplemental Agreement of Trust dated as of [__] 1, 20__ (collectively, the “Trust Agreement”). The Trust Agreement assigns to the Trustee, as security for the [20__] Bonds, (a) certain revenues and receipts derived from a Cooperation Agreement dated as of [__] 1, 2024 (the “Cooperation Agreement”), between the Authority and the City of Richmond, Virginia (the “City”), and (b) the Authority’s rights under the Cooperation Agreement (except the right of the Authority to the payment of fees, costs and expenses and the right to receive notices as provided in the Cooperation Agreement).

Reference is hereby made to the Trust Agreement for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Authority and the Trustee, the rights of the holders of the [20__] Bonds and the terms upon which the [20__] Bonds are issued and secured. Additional bonds secured by a pledge of the applicable revenues and receipts derived from the City under the Cooperation Agreement on a parity with the [20__] Bonds may be issued under the terms and conditions set forth in the Trust Agreement. Capitalized terms not otherwise defined herein shall have the meaning assigned such terms in the Trust Agreement.

The [20__] Bonds are being issued to finance costs of certain local mobility improvements, including but not limited to [_____]. Under the Cooperation Agreement, the City has agreed to make payments that will be sufficient to pay the principal of and interest on the [20__] Bonds as the same shall become due in accordance with their terms and the provisions and the terms of the Trust Agreement; provided, however, that the undertaking of the City to make such payments constitutes a current expense of the City that is subject to appropriation by the Council of the City from time to time of sufficient monies for such purposes. The undertaking of the City to make payments under the Cooperation Agreement constitutes neither a debt of the City within the meaning of any constitutional or statutory limitation nor a liability of or a lien or charge upon funds or property of the City beyond any fiscal year for which the Council has appropriated moneys to make such payments.

THE [20__] BONDS AND THE INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM CERTAIN REVENUES AND RECEIPTS DERIVED FROM THE CITY RECEIVED BY THE AUTHORITY UNDER THE COOPERATION AGREEMENT AND FROM CERTAIN FUNDS, TOGETHER WITH THE INVESTMENT INCOME THEREON, HELD UNDER THE TRUST AGREEMENT, WHICH REVENUES, RECEIPTS AND FUNDS HAVE BEEN PLEDGED AND ASSIGNED TO SECURE PAYMENT THEREOF. THE [20__] BONDS AND INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE CITY, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE [20__] BONDS OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED AND ASSIGNED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA, OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE CITY, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE [20__] BONDS OR OTHER COSTS INCIDENT THERETO. THE AUTHORITY HAS NO TAXING POWER.

No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of any present or future director, officer, employee or agent of the Authority in their individual capacity, and neither the Chair of the Authority nor any officer thereof executing this bond shall be liable personally on the [20__] Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

The [20__] Bonds may not be called for redemption by the Authority, at the direction of the City, except as provided herein and in the Trust Agreement.

Optional Redemption. The [20__] Bonds maturing on and before [____, ____], will not be subject to redemption prior to maturity. The [20__] Bonds maturing on and after [____, ____], will be subject to redemption prior to maturity, at the option of the Authority, at the direction of the Authority, on or after [____, ____], in whole or in part (in \$5,000 integral multiples) at any time, upon payment of 100% of the principal amount to be redeemed, plus interest accrued to the date fixed for redemption.

If less than all the [20__] Bonds are called for optional redemption, they shall be redeemed from maturities in such order as determined by the Authority. If less than all of the [20__] Bonds of any maturity are called for optional redemption, the specific [20__] Bonds within such maturity to be redeemed shall be selected by DTC or any successor securities depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Trustee by lot in such manner as the Trustee in its discretion may determine. The portion of any [20__] Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof. In selecting [20__] Bonds for redemption, each [20__] Bond shall be considered as representing that number of [20__] Bonds that is obtained by dividing the principal amount of such [20__] Bond by \$5,000.

If any of the [20__] Bonds or portions thereof are called for redemption, the Trustee shall send notice of the call for redemption, identifying the [20__] Bonds or portions thereof to be redeemed, not less than 30 nor more than 60 days prior to the date fixed for redemption, by facsimile or other electronic means, registered or certified mail, overnight express delivery or such other means acceptable to the registered owner, to the registered owner of the [20__] Bonds. Such notice may state that (1) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the date fixed for redemption or (2) the Authority, at the direction of the City, retains the right to rescind such notice on or prior to the date fixed for redemption, and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded. Provided funds for their redemption are on deposit at the place of payment on the date fixed for redemption, all [20__] Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Trust Agreement and shall not be deemed to be Outstanding under the provisions of the Trust Agreement. If a portion of this bond shall be called for redemption, a new bond in principal amount equal to the unredeemed portion hereof will be issued to DTC or its nominee upon surrender hereof, or if the book-entry system is discontinued, to the registered owners of the [20__] Bonds.

The registered owner of this bond shall have no right to enforce the provisions of the Trust Agreement or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default under the Trust Agreement or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Trust Agreement. Modifications or alterations of the Trust Agreement or the Cooperation Agreement, or of any supplement thereto, may be made only to the extent and in the circumstances permitted by the Trust Agreement.

The [20__] Bonds are issuable as registered bonds in the denomination of \$5,000 and integral multiples thereof. Upon surrender for transfer or exchange of this bond at the designated corporate trust office of the Trustee in Richmond, Virginia, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, the Authority shall execute, and the Trustee shall authenticate and deliver in exchange, a new bond or bonds in the manner and subject to the limitations and conditions provided in the Trust Agreement, having an equal aggregate principal amount, in authorized denominations, of the same series, form and maturity, bearing interest at the same rate and registered in the name or names as requested by the then registered owner hereof or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Authority, except that the Trustee may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Trustee shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as holder on [the 15th day of the month preceding the month in which each interest payment date occurs].

All acts, conditions and things required to happen, exist or be performed precedent to and in connection with the issuance of this bond have happened, exist and have been performed.

This bond shall not become obligatory for any purpose or be entitled to any security or benefit under the Trust Agreement or be valid until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Economic Development Authority of the City of Richmond, Virginia, has caused this bond to be signed by its Chair, its seal to be imprinted hereon and attested by its Secretary, and this bond to be dated the Dated Date.

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

(SEAL)

By _____
Chair

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION

Date Authenticated: _____

This bond is one of the [20__] Bonds described in the within mentioned Trust Agreement.

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**
as Trustee

By _____
Authorized Representative

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(please print or typewrite name and address, including zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFeree

: _____ :
: _____ :
: _____ :

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing

_____, Attorney, to transfer said Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by an Eligible Guarantor Institution such as a Commercial Bank, Trust Company, Securities Broker/Dealer, Credit Union, or Savings Association who is a member of a medallion program approved by The Securities Transfer Association, Inc.

(Signature of Registered Owner

NOTICE: The signature above must correspond with the name of the registered owner as it appears on the front of this bond in every particular, without alteration or enlargement or any change whatsoever.

AGREEMENT OF TRUST

between

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

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee**

Dated as of [_____ 1, 2024]

**Relating to
Economic Development Authority
of the City of Richmond
Revenue Bonds (Diamond District Project)**

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Exhibit A – Form of Requisition

THIS AGREEMENT OF TRUST dated as of the 1st day of [____], 2024, by and between the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND**, a political subdivision of the Commonwealth of Virginia (the “Authority”), and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association, having a corporate trust office in Richmond, Virginia, as trustee, registrar and paying agent (in such capacity, together with any successor in such capacity, herein called the “Trustee”), provides:

WHEREAS, the Authority is a political subdivision of the Commonwealth of Virginia duly created under the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “IDA Act”);

WHEREAS, the Authority is authorized to exercise all the powers set forth in the IDA Act, which include, among other things, the power to make loans to, among others, a city in furtherance of the purposes of the IDA Act, to issue its revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority from any source as security for the payment of principal of and interest on any such obligations;

WHEREAS, the Authority, the City of Richmond, Virginia (the “City”), and Diamond District Partners, LLC, have entered into the Diamond District Redevelopment Project Purchase and Sale and Development Agreement dated as of [_____, 2024] (the “Development Agreement”), to provide for the redevelopment of a portion of the Greater Scott’s Addition area that is known as the “Diamond District” and is home to The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies;

WHEREAS, the Development Agreement provides for the development of a full spectrum of new, privately financed housing (including both market rate and affordable housing), retail and office spaces and a hotel within the Diamond District (as further described in the Development Agreement, the “Mixed-Use Development”) and certain publicly financed public infrastructure that will serve the Diamond District and connect the project area with adjacent communities (as further described in the Development Agreement, the “Public Infrastructure”);

WHEREAS, pursuant to the terms of the Development Agreement and in furtherance of the purposes of the IDA Act, the Authority has agreed to finance the costs of the Public Infrastructure through the issuance and sale of one or more series of revenue bonds (as further described herein, the “Bonds”), which will be secured by and payable from certain amounts appropriated by the Council of the City of Richmond, Virginia (the “Council”), for such purpose pursuant to the terms of the Cooperation Agreement dated as of [_____, 2024], between the City and the Authority (the “Cooperation Agreement”);

WHEREAS, pursuant to the Cooperation Agreement, the City has agreed, subject to annual appropriation by the Council of sufficient amounts for such purpose, to make available to the Authority such funds as may be necessary to enable the Authority to, among other things, (a) pay the debt service on the Bonds, (b) if applicable, replenish any debt service reserve fund established in connection with the Bonds, (c) if applicable, pay the Trustee its reasonable fees and

expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge this Agreement and (d) pay any arbitrage rebate liability with respect to the Bonds;

WHEREAS, the parties are entering into this Agreement to set forth (a) the conditions for the issuance of the Bonds, (b) the rights of the holders of the Bonds and (c) the appointment of a trustee for such holders; and

WHEREAS, all acts, conditions and things required by law to happen, exist and be performed precedent to and in connection with the execution of and entering into this Agreement have happened, exist and have been performed in regular and due time and in form and manner as required by law, and the parties hereto are now duly empowered to execute and enter into this Agreement;

NOW, THEREFORE, THIS AGREEMENT FURTHER WITNESSETH:

That, as security for payment of the principal of and premium, if any, and interest on the Bonds and for the moneys that may be advanced by the Trustee hereunder, the Authority does hereby pledge and assign to the Trustee without recourse and grant a security interest to the Trustee in, the following described property:

A. All right, title and interest of the Authority in and to the Cooperation Agreement (except the right of the Authority to the payment of fees, costs and expenses and the right to receive notices as provided in the Cooperation Agreement), the Debt Service Payments made by the City pursuant thereto, the Bond Cost Payments made by the City pursuant thereto for the purpose of restoring a Series Debt Service Reserve Account to the Series Debt Service Reserve Requirement and all other revenues and receipts derived by the Authority from any of the foregoing and the security therefor.

B. The Funds, Account and Subaccounts, including moneys and investments therein, held by the Trustee pursuant to the terms of this Agreement.

C. All other property of any kind mortgaged, pledged or hypothecated at any time as and for additional security hereunder by the Authority or by anyone on its behalf or with its written consent in favor of the Trustee, which is hereby authorized to receive all such property at any time and to hold and apply it subject to the terms hereof.

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended to be, to the Trustee and its assigns forever.

IN TRUST, however, for the equal and proportionate benefit and security of the holders from time to time of the Bonds issued under and secured by this Agreement, without privilege, priority or distinction as to the lien or otherwise of any of the Bonds over any other Bonds, provided that (i) each Series Debt Service Reserve Account (as hereinafter defined) shall secure only the related Series of Bonds (which may include one or more Series of Bonds) and any additional Series of Bonds issued to refund such original Series of Bonds if and as provided in the respective Supplemental Trust Agreement(s) (as hereinafter defined) and (ii) any Series of Bonds

may have other security pledged only to the payment of such Series of Bonds as set forth in the Supplemental Agreement Trust(s) related to such Series of Bonds.

The Authority hereby covenants and agrees with the Trustee and with the respective holders, from time to time, of the Bonds as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 101. Definitions.

The following words as used in this Agreement, the Cooperation Agreement and the First Supplemental Trust Agreement shall have the following meanings unless a different meaning clearly appears from the context:

“Account” shall mean any of the various accounts created within a Fund under this Agreement.

“Agreement” shall mean this Agreement of Trust, as supplemented, amended or modified by one or more Supplemental Agreements of Trust.

“Authorized Authority Representative” shall mean any officer of the Authority.

“Authorized City Representative” shall mean the Chief Administrative Officer, the Deputy Chief Administrative Officer for Finance and Administration, the Director of Finance and such other person or persons as may be designated to act on behalf of the City by a certificate executed by the Chief Administrative Officer, the Deputy Chief Administrative Officer for Finance and Administration or the Director of Finance and on file with the Trustee.

“Bond” or **“Bonds”** shall mean any bonds, notes or other obligations, including any notes or other obligations issued in anticipation of bonds, notes, or other obligations as the same shall be issued from time to time pursuant to Article III.

“Bond Cost Payments” shall have the meaning given such term in the Cooperation Agreement, which payments shall be made by the City pursuant to Section 3(c) and Section 4 of the Cooperation Agreement.

“Bond Counsel” shall mean an attorney or firm of attorneys nationally recognized on the subject of municipal bonds and reasonably acceptable to the Trustee.

“Bond Fund” shall mean the Bond Fund established in Section 601.

“Bond Payment Date” shall mean the date on which any payment of principal of (whether at maturity or mandatory sinking fund redemption) or interest on the Bonds is scheduled to become due and payable.

“Bondholder” or **“holder”** shall mean the registered owner of any Bonds.

“Business Day” shall mean a day on which banking business is transacted, but not including a Saturday, Sunday or legal holiday, or any day on which banking institutions are authorized by law to close in the city in which the Trustee has its designated corporate trust office.

“City” shall mean the City of Richmond, a municipal corporation duly created by the General Assembly of Virginia.

“Code” shall mean the Internal Revenue Code of 1986, as amended, including applicable regulations, rulings and revenue procedures promulgated or applicable thereunder.

“Commonwealth” shall mean the Commonwealth of Virginia.

“Consent” shall mean any consent, request, direction, approval, objection or other instrument required by this Agreement to be executed by the Bondholders.

“Cooperation Agreement” shall mean the Cooperation Agreement dated as of [_____, 2024], between the Authority and the City, as such agreement may be supplemented, amended or modified.

“Cost” or “Cost of a Project” shall mean the Cost of a Project as set forth in Section 502.

“Council” shall mean the City Council of the City of Richmond, Virginia, as the governing body of the City.

“Debt Service Payments” shall have the meaning given such term in the Cooperation Agreement, which payments shall be made by the City pursuant to Section 3(b) and Section 4 of the Cooperation Agreement.

“Debt Service Reserve Fund” shall mean the Debt Service Reserve Fund established in Section 601.

“Event of Default” shall mean any of the events enumerated in Section 901.

“Fiscal Year” shall mean the twelve-month period beginning on July 1 of one year and ending on June 30 of the following year, or such other twelve-month period as may be selected by the City as its fiscal year.

“Fitch” shall mean Fitch Ratings, Inc., New York, New York, or its successors.

“Fund” shall mean the Bond Fund, Debt Service Reserve Fund, Project Fund or any other fund established under this Agreement.

“Government Certificates” shall mean certificates representing proportionate ownership of Government Obligations, which Government Obligations are held by a bank or trust company organized under the laws of the United States of America or any of its states in the capacity of custodian of such certificates.

“Government Obligations” shall mean (a) bonds, notes and other direct obligations of the United States of America, (b) securities unconditionally guaranteed as to the timely payment of principal, if applicable, and interest by the United States of America or (c) bonds, notes and other obligations issued or guaranteed as to the timely payment of principal and interest by the Rural Utilities Service (certificates of beneficial ownership), Federal Housing Administration (debentures), General Services Administration (participation certificates), U.S. Maritime Administration (guaranteed Title XI financing), U.S. Department of Housing and Urban Development (project notes and local authority bonds), provided such obligations are backed by the full faith and credit of the United States of America. Stripped securities are permitted only if stripped by the agency itself. Government Obligations may be held directly by the Trustee or in the form of securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio of such investment company or investment trust is limited to Government Obligations.

“IDA Act” shall mean the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended.

“Interest Account” shall mean the Interest Account in the Bond Fund established in Section 601.

“Moody’s” shall mean Moody’s Investors Service, New York, New York, or its successors.

“Opinion of Counsel” shall mean an opinion of any attorney or firm of attorneys reasonably acceptable to the Trustee, who may be counsel for the Authority, the City or the Trustee but who shall not be a full-time employee of the Authority, the City or the Trustee.

“Outstanding” shall mean, when used as descriptive of Bonds, that such Bonds (a) have been authorized, issued, authenticated and delivered under this Agreement and (b) have not (i) been canceled or surrendered to the Trustee for cancellation, (ii) been deemed to have been paid as provided in Article XII, (iii) had other Bonds issued in exchange therefor or (iv) had their principal become due and moneys sufficient for their payment deposited with the Trustee as provided in Section 208.

In determining whether holders of a requisite aggregate principal amount of the Outstanding Bonds have concurred in any request, demand, authorization, direction, notice, consent or waiver under this Agreement, words referring to or connoting “principal of” or “principal amount of” Outstanding Bonds shall be deemed also to be references to, to connote and to include the accreted value of Bonds of any Series as of the immediately preceding interest compounding date for such Bonds. Bonds that are owned by the Authority or the City shall be disregarded and deemed not to be Outstanding for the purpose of any such determination.

“Premium Account” shall mean the Premium Account in the Bond Fund established in Section 601.

“Principal Account” shall mean the Principal Account in the Bond Fund established in Section 601.

“Project Fund” shall mean the Project Fund established in Section 501.

“Project” or “Projects” shall mean the design, acquisition, construction and equipping of the Public Infrastructure.

“Public Infrastructure” shall mean the Public Infrastructure as that term is defined in the Cooperation Agreement.

“Rating Agency” or “Rating Agencies” shall mean Fitch, Moody’s or S&P, or any of them, and their successors. The Authority, at the direction of the City, may appoint any nationally recognized securities rating organization in addition to or as a replacement for Fitch, Moody’s or S&P.

“Reserve Determination Date” shall mean (a) each interest payment date for the Bonds or (b) any other date established in writing by an Authorized City Representative for the valuation of obligations on deposit in a Series Debt Service Reserve Account.

“S&P” shall mean S&P Global Ratings, a Division of McGraw-Hill Companies, Inc., New York, New York, or its successors.

“Series” or “Series of Bonds” shall mean a separate series of Bonds issued under this Agreement and a Supplemental Trust Agreement.

“Series Debt Service Reserve Account” shall mean any of the Series Debt Service Reserve Accounts in the Debt Service Reserve Fund established under Section 601 pursuant to a Supplemental Trust Agreement.

“Series Debt Service Reserve Requirement” for any Series of Bonds shall have the meaning set forth in the Supplemental Trust Agreement authorizing such Series of Bonds.

“Subaccount” shall mean any of the various subaccounts created within an Account under this Agreement.

“Supplemental Trust Agreement” shall mean any Supplemental Trust Agreement supplementing, amending or modifying the provisions of this Agreement entered into by the Authority and the Trustee pursuant to Article X.

[“Supplemental Cooperation Agreement” shall mean any Supplemental Cooperation Agreement supplementing, amending or modifying the provisions of the Cooperation Agreement entered into by the Authority and the City pursuant to Article X.]

“Term Bonds” shall mean any Bonds stated to mature on a specified date and required to be redeemed in part prior to maturity according to a sinking fund schedule.

“Trustee” shall mean U.S. Bank Trust Company, National Association, Richmond, Virginia, or its successors serving as such hereunder.

“Virginia Code” shall mean the Code of Virginia of 1950, as amended.

Section 102. Rules of Construction.

Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Agreement:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) Words importing the redemption or calling for redemption of Bonds shall not be deemed to refer to or connote the payment of Bonds at their stated maturity.

(c) Unless otherwise indicated, all references herein to particular Articles or Sections are references to Articles or Sections of this Agreement.

(d) The headings herein and Table of Contents to this Agreement are solely for convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction or effect.

(e) All references herein to the payment of Bonds are references to payment of principal of and premium, if any, and interest on Bonds.

ARTICLE II

EXECUTION, AUTHENTICATION, REGISTRATION AND FORM OF BONDS

Section 201. Form and Details of Bonds.

Unless otherwise provided in the applicable Supplemental Trust Agreement, the Bonds shall be designated "Revenue Bonds (Diamond District Project)," shall bear an appropriate series designation, shall be issuable only as registered Bonds without coupons, in denominations of \$5,000 and multiples thereof, and shall be appropriately numbered. The form, details and terms of each Series of Bonds and such other matters as the Authority may deem appropriate shall be set forth in the applicable Supplemental Trust Agreement for such Series of Bonds. Principal of, premium, if any, and interest on the Bonds shall be payable in lawful money of the United States of America.

Section 202. Execution of Bonds.

Unless otherwise provided in the applicable Supplemental Trust Agreement, the Bonds shall be signed by the manual or facsimile signature of the Chair or Vice Chair of the Authority and its seal shall be affixed thereto or a facsimile thereof printed thereon and attested by the manual or facsimile signature of its Secretary or Assistant Secretary. In case any officer whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such person had remained in office until such delivery. Any Bond may bear the facsimile signature of or may be signed by such persons as at the actual time of the execution thereof shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

Section 203. Authentication of Bonds.

Unless otherwise provided in the applicable Supplemental Trust Agreement, the Bonds shall bear a certificate of authentication and shall not be valid until the Trustee shall have executed the certificate of authentication and inserted the date of authentication thereon. The Trustee shall authenticate each Bond with the signature of an authorized representative, but it shall not be necessary for the same person to authenticate all of the Bonds or all of the Bonds of any Series. Only such authenticated Bonds shall be entitled to any right or benefit under this Agreement, and such certificate on any Bond issued hereunder shall be conclusive evidence that the Bond has been duly issued and is secured by the provisions hereof.

Section 204. Registration and Transfer of Bonds; Persons Treated as Owners.

(a) All Bonds issued under this Agreement shall be negotiable, subject to the provisions for registration and registration of transfer thereof contained herein or in the Bonds.

(b) The Trustee shall maintain registration books with respect to each Series of Bonds at the offices of the Trustee and shall provide for the registration and the registration of transfer of any Bond of such Series under such reasonable regulations as the Trustee may prescribe. The Trustee shall maintain books for purposes of exchanging and registering Bonds in accordance with the provisions hereof.

(c) Each Bond of a Series shall be registered or registered for transfer only upon the registration books maintained by the Trustee, by the Bondholder thereof in person or by their attorney or legal representative duly authorized in writing, upon presentation and surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Bondholder or its duly authorized attorney or legal representative. Upon surrender for registration of transfer of any such Bond, the Authority shall cause to be executed, and the Trustee shall authenticate and deliver, in the name of the transferee, one or more new Bonds of the same Series, interest rate, maturity, principal amount and date as the surrendered Bond, as fully registered Bonds only.

(d) Unless otherwise provided in the applicable Supplemental Trust Agreement, the Trustee shall treat the registered holder as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the holder on the registration books, except that interest payments shall be made to the person shown as holder on the registration books on the fifteenth day of the month preceding each interest payment date.

Section 205. Exchange of Bonds; Charges for Exchange of Bonds.

Bonds, upon presentation and surrender thereof to the Trustee together with written instructions satisfactory to the Trustee, duly executed by the registered Bondholder or their attorney or legal representative duly authorized in writing, may be exchanged for an equal aggregate principal amount of fully registered Bonds of the same Series and tenor.

Any exchange of Bonds shall be at the expense of the Authority, except that the Trustee may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

Section 206. Mutilated, Lost or Destroyed Bonds.

If any Bond has been mutilated, lost or destroyed, the Authority shall cause to be executed and sealed, and the Trustee shall authenticate and deliver, a new Bond of like date, number and tenor in exchange and substitution for, and upon the cancellation of, such mutilated Bond or in lieu of and in substitution for such lost or destroyed Bond; provided, however, that the Authority and the Trustee shall so execute, seal, authenticate and deliver only if the holder has paid the reasonable expenses and charges of the Authority and the Trustee in connection therewith and, in the case of a lost or destroyed Bond, (a) has filed with the Authority and the Trustee evidence satisfactory to them that such Bond was lost or destroyed and of its ownership thereof and (b) has furnished to the Authority and the Trustee indemnity satisfactory to them. If any such Bond has matured, instead of issuing a new Bond the Trustee may pay the same without surrender thereof upon receipt of the evidence and indemnity described above.

Section 207. Cancellation and Disposition of Bonds.

All Bonds that have been surrendered for transfer or exchange pursuant to Sections 204 and 205, paid (whether at maturity, by sinking fund redemption, call for redemption or otherwise), purchased pursuant to instructions from the Authority, or delivered by the Authority to the Trustee for cancellation shall not be reissued, and the Trustee shall, unless otherwise directed by the Authority, cremate, shred or otherwise dispose of such Bonds in accordance with its customary procedures. The Trustee shall deliver to the Authority, upon request, a certificate of any such cremation, shredding or other disposition.

Section 208. Non-Presentation of Bonds.

(a) If any Bond is not presented for payment when the principal thereof becomes due (whether at maturity, by sinking fund redemption, call for redemption or otherwise), all liability of the Authority to the holder thereof for the payment of such Bond shall be completely discharged if moneys sufficient to pay such Bond and the interest due thereon shall be held by the Trustee for the benefit of such holder, and thereupon it shall be the duty of the Trustee to hold such moneys, subject to subsection (b) below, without liability for interest thereon, for the benefit of such holder, who shall thereafter be restricted exclusively to such moneys for any claim of whatever nature on its part under this Agreement or on, or with respect to, such Bond.

(b) Notwithstanding anything in this Agreement to the contrary, any cash, Government Obligations or, if permitted by the laws of the Commonwealth, Government Certificates deposited with the Trustee for the payment of the principal of and premium, if any, and interest on any Series of Bonds remaining unclaimed for more than one year after the principal of all such Series of Bonds has become due and payable shall be paid to the Authority and shall be held by the Authority in a separate account for five years and thereafter in the general fund of the Authority. After such moneys have been paid to the Authority, the holders of such Bonds shall be entitled to look only to the Authority, and all liability of the Trustee with respect to such amounts shall cease.

ARTICLE III

ISSUANCE OF BONDS

Section 301. Purposes of Bonds.

Bonds may be issued (a) to finance the Cost of a Project, (b) to refund any Bonds or (c) for a combination of such purposes.

Section 302. Parity of Bonds.

Each Series of Bonds shall be issued pursuant to a Supplemental Trust Agreement and shall be equally and ratably secured under this Agreement, without preference, priority or distinction; provided, however, that (a) any Series of Bonds may have other security pledged to its payment, (b) moneys in any Account or Subaccount of the Bond Fund relating to a particular Series of Bonds shall secure only such Bonds, (c) moneys in any Account or Subaccount of the Project Fund relating to a particular Series of Bonds shall secure only such Bonds and (d) moneys in any Account or Subaccount of the Debt Service Reserve Fund relating to one or more Series of Bonds shall secure only such Bonds and any additional Series issued to refund such Bonds if and as provided in the respective Supplemental Trust Agreement(s). In connection with the issuance of each Series of Bonds, the Trustee, at the written direction of an [Authorized Authority Representative/Authorized City Representative], will create additional Accounts and Subaccounts within any Fund or Account established by this Agreement. Nothing herein shall be construed, however, as (x) requiring that any Bonds bear interest at the same rate or in the same manner as any other Bonds, have the same, or an earlier or later, maturity, or be subject to mandatory sinking fund, optional or extraordinary redemption prior to maturity on the same basis as any other Bonds, (y) prohibiting the Authority from entering into financial arrangements designed to assure that moneys will be available for the payment of certain Bonds at their maturity or (z) prohibiting the Authority from pledging moneys or assets of the Authority other than those pledged herein for the benefit of certain Bonds.

Section 303. Conditions for Issuing Bonds.

Before the issuance and authentication of any Series of Bonds by the Trustee, there shall be filed with the Trustee the following:

(a) In the case of the initial Series of Bonds issued under this Agreement (in addition to the items specified in subsections (b), (d), (f), (g) and (i) through (l) below):

(1) An original executed counterpart of this Agreement;

(2) A certified copy of a resolution or resolutions of the Authority's Board of Directors authorizing the execution and delivery of this Agreement, the initial Supplemental Trust Agreement and the Cooperation Agreement and authorizing the issuance, sale and delivery of such Bonds; and

(3) An Opinion or Opinions of Counsel to the Authority, subject to customary exceptions and qualifications, substantially to the effect that this Agreement, the initial

Supplemental Trust Agreement and the Cooperation Agreement have been duly authorized, executed and delivered to the Trustee and is binding on the Authority.

(b) An original executed counterpart of a Supplemental Trust Agreement that (1) shall include: (A) provisions authorizing the issuance, fixing the principal amount and setting forth the details of such Bonds, including their date, the interest rate or rates and the manner in which such Bonds are to bear and pay interest, the principal and interest payment dates of such Bonds, the purposes for which such Bonds are being issued, the manner of numbering such Bonds, the Series designation, the denominations, the maturity dates and principal maturities, the principal amounts required to be redeemed pursuant to any mandatory sinking fund redemption provisions or the manner for determining such principal amounts, any provisions for optional or extraordinary redemption before maturity, any provisions regarding a Series Debt Service Reserve Account, and whether the interest on such Bonds shall be excluded from gross income for federal income tax purposes or shall be subject to federal income taxation; and (B) provisions for the application of the proceeds of such Bonds; and (2) may include, without limitation: (A) provisions for credit facilities and for other Funds and Accounts to be established with respect to such Bonds; (B) provisions necessary or expedient for the issuance of such Bonds bearing interest at a variable rate or other manner of bearing interest, including remarketing provisions, liquidity facility provisions and provisions for establishing the variable rate and converting to a fixed rate; (C) provisions necessary or expedient for the issuance of such Bonds as capital appreciation bonds or convertible capital appreciation bonds; (D) provisions for entering into interest rate swaps, guarantees or other arrangements to limit interest rate risks; and (E) such other provisions as the Authority may deem appropriate.

(c) In the case of any subsequent Series of Bonds, a certified copy of a resolution or resolutions of the Authority's Board of Directors authorizing (1) the execution and delivery of a Supplemental Trust Agreement and a Supplemental Cooperation Agreement and (2) the issuance, sale, award, execution and delivery of such Bonds.

(d) A certificate signed by the Chair or Vice Chair of the Authority and dated the date of such issuance, to the effect that:

(1) Either (A) upon and immediately following such issuance, no Event of Default has occurred that has not been cured or waived, and no event or condition exists that, with the giving of notice or lapse of time or both, would become an Event of Default or (B) if any such event or condition is happening or existing, specifying such event or condition, stating that the Authority will act with due diligence to correct such event or condition after the issuance of such Bonds, and describing in reasonable detail the actions to be taken by the Authority toward such correction; and

(2) All required approvals, limitations, conditions and provisions precedent to the issuance of such Series of Bonds have been obtained, observed, met and satisfied.

(e) In the case of any subsequent Series of Bonds, an Opinion or Opinions of Counsel to the Authority, subject to customary exceptions and qualifications, substantially to the effect that the Supplemental Trust Agreement for such Series of Bonds and the related Supplemental Cooperation Agreement (1) have been duly authorized, executed and delivered by the Authority,

(2) are binding on the Authority and (3) comply in all respects with the requirements of this Agreement and the Cooperation Agreement, as applicable.

(f) An opinion of Bond Counsel, subject to customary exceptions and qualifications, substantially to the effect that (1) the issuance of such Bonds has been duly authorized, (2) such Bonds are valid and binding limited obligations of the Authority and (3)(A) if such Bonds are to be issued as federally tax-exempt bonds, the interest on such Bonds is excludable from gross income for federal income taxation purposes or (B) if such Bonds are to be issued as federally taxable bonds, the issuance and the intended use of the proceeds of such Bonds will have no adverse effect on the federal tax-exempt status of the interest on any other Bonds then Outstanding (the interest on which was excludable from gross income for federal income tax purposes when issued).

(g) If such Bonds are issued to pay the Cost of a Project, except in the case of the initial Series of Bonds issued under this Agreement, evidence that upon issuance of such Bonds each Series Debt Service Reserve Account within the Debt Service Reserve Fund will contain the applicable Series Debt Service Reserve Requirement, if any.

(h) If any Bonds are issued to refund or purchase any other Bonds, the following:

(1) Irrevocable instructions from the Authority, at the direction of the City, to redeem or pay at maturity all Bonds to be refunded or to purchase all Bonds to be purchased; and

(2) A written determination by an independent certified public accountant or other independent consultant (reasonably acceptable to the Trustee) that the proceeds (excluding accrued interest) of such refunding Bonds, together with any other moneys deposited with the Trustee for such purpose and the investment income to be earned on moneys held for the payment or redemption of the Bonds to be refunded or the purchase of the Bonds to be purchased, will be sufficient (without further reinvestment) to pay (A) in the case of any Bonds to be refunded, either (i) the principal of and the premium, if any, on the Bonds to be refunded and the interest that will accrue on such Bonds to the respective dates fixed for their redemption or maturity dates or (ii) the principal of and interest on the refunding Bonds to a date certain, at which time such proceeds, moneys and earnings will be sufficient to pay the principal of and the premium, if any, on the Bonds to be refunded and the interest that will accrue on such Bonds to be refunded to the respective dates fixed for their redemption or maturity dates and (B) in the case of any Bonds to be purchased, the purchase price for such Bonds and the interest that will accrue on such Bonds to the respective dates fixed for their purchase.

(i) A request and direction signed by the Chair or Vice Chair of the Authority to the Trustee to authenticate and deliver such Bonds to the purchaser upon confirmation that the purchase price of such Bonds has been paid to, or at the direction of, the Authority.

(j) (1) In the case of the initial Series of Bonds, an original executed counterpart of the Cooperation Agreement, assigned by the Authority to the Trustee, or (2) in the case of any subsequent Series of Bonds, if applicable, an original executed counterpart of a Supplemental

Cooperation Agreement that shall provide for such modifications as shall be necessary and convenient for the issuance of such additional Series of Bonds.

(k) An Opinion or Opinions of Counsel to the City, subject to customary exceptions and qualifications, substantially to the effect that the Cooperation Agreement or, in the case of any subsequent Series of Bonds, if applicable, the corresponding Supplemental Cooperation Agreement has been duly authorized, executed and delivered by the City and is binding on the City.

Except for the requirements of subsection (d) of this Section (which may be waived in whole or in part by the purchasers of such Bonds by an instrument or concurrent instruments in writing signed by such purchasers), none of the requirements in this Section may be waived without the consent of the holders of not less than a majority in aggregate principal amount of the Outstanding Bonds.

ARTICLE IV

REDEMPTION OF BONDS

Section 401. Redemption Provisions to be Fixed by Supplemental Agreements of Trust.

The Bonds of any Series shall be subject to mandatory sinking fund, extraordinary or optional redemption prior to maturity on such dates and under such conditions as may be provided in the Supplemental Trust Agreement authorizing the issuance of such Series of Bonds. The Bonds of any Series to be called for redemption shall be selected as provided in the applicable Supplemental Trust Agreement. The Trustee shall treat each Bond of a denomination greater than the minimum denomination authorized in the applicable Supplemental Trust Agreement as representing the number of separate Bonds of such minimum denomination as can be obtained by dividing the Bond's actual principal amount by such minimum denomination.

Section 402. Notice of Redemption.

(a) Unless otherwise provided in the applicable Supplemental Trust Agreement, the Trustee, upon being satisfied as to the payment of its expenses and upon receiving the notice of redemption from the Authority not less than five calendar days prior to the date the Trustee is required to send the notice of such redemption to the owners of the Bonds, shall, not less than 30 nor more than 60 calendar days prior to the date fixed for redemption, (1) send notice of the call for redemption, identifying the Bonds or portions thereof to be redeemed (the "Redemption Notice"), by facsimile or other electronic means, registered or certified mail, overnight express delivery or such other means acceptable to the Bondholders, the securities depositories and the MSRB, as applicable, (A) to the holder of each Bond to be redeemed at their address as it appears on the registration books kept by the Trustee, and (B) to all organizations registered with the Securities and Exchange Commission as securities depositories and (2) file the Redemption Notice in electronic format with the MSRB through its Electronic Municipal Market Access (EMMA) System pursuant to procedures promulgated by the MSRB.

(b) In preparing and delivering such notice, the Trustee shall take into account, to the extent applicable, the prevailing tax-exempt securities industry standards and any regulatory

statement of any federal or state administrative body having jurisdiction over the Authority or the tax-exempt securities industry, including Release No. 34-23856 of the Securities and Exchange Commission or any subsequent amending or superseding release. Failure to give a Redemption Notice specified in subsection (a)(1)(A) above, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Bond with respect to which no such failure or defect has occurred. Failure to give a Redemption Notice specified in subsection (a)(1)(B) or (a)(2) above, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Bonds with respect to which the Redemption Notice specified in subsection (a)(1)(A) above is correctly given. Any Redemption Notice mailed or provided herein shall conclusively be presumed to have been given whether or not actually received by any Bondholder.

(c) In the case of an optional redemption under any Supplemental Trust Agreement, the Redemption Notice may state that (1) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee (or, if applicable, such other escrow agent as may be appointed by the Authority [or the City]) no later than the date fixed for redemption or (2) the Authority retains the right to rescind such Redemption Notice on or prior to the date fixed for redemption (in either case, a “Conditional Redemption”), and such Redemption Notice and optional redemption shall be of no effect if such moneys are not so deposited or if the Redemption Notice is rescinded as described herein. Any Conditional Redemption pursuant to clause (2) above may be rescinded at any time prior to the date fixed for redemption if the Authority delivers a written direction to the Trustee directing the Trustee to rescind the Redemption Notice and any funds deposited with the Trustee in connection with such rescinded redemption shall be returned to the Authority. The Trustee shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a Conditional Redemption, the failure of the Authority or the City to make funds available on or before the date fixed for redemption shall not constitute an Event of Default, and the Trustee shall give prompt notice to all organizations registered with the Securities and Exchange Commission as securities depositories or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

Section 403. Bonds Payable on Redemption Date; Interest Ceases to Accrue.

On or before the date fixed for redemption, moneys shall be deposited with the Trustee to pay the principal of and premium, if any, and interest accrued to the date fixed for redemption on the Bonds called for redemption. Except as otherwise provided in Section 402 above or any other applicable section of a related Supplemental Trust Agreement, upon the happening of the conditions of this Article, the Bonds or portions thereof thus called for redemption shall cease to bear interest from and after the date fixed for redemption, shall no longer be entitled to the benefits provided by this Agreement and shall not be deemed to be Outstanding under the provisions of this Agreement.

Section 404. Purchase at any Time.

The Trustee[, upon the written request of the City, on behalf of the Authority,] shall purchase Bonds as specified by the [City] in the open market at a price not exceeding a price set

by the [City]. Such purchase of Bonds shall be made with funds provided by the Authority or the City, and no money shall be used to purchase Bonds to the extent it is required to pay the redemption price of any Bonds for which notice of redemption has been given as provided in Section 402. Upon purchase by the Trustee, such Bonds shall be treated as delivered for cancellation pursuant to Section 207. Nothing in this Agreement shall prevent the Authority or the City from purchasing Bonds on the open market without the involvement of the Trustee and delivering such Bonds to the Trustee for cancellation pursuant to Section 207. Any Term Bonds purchased pursuant to this Section may be credited against future mandatory sinking fund redemption payments in accordance with Section 602. The principal amount of Bonds to be redeemed by optional redemption under this Agreement may be reduced by the principal amount of Bonds purchased by the Authority or the City and delivered to the Trustee for cancellation at least forty-five (45) calendar days prior to the date fixed for redemption.

ARTICLE V

PROJECT FUND

Section 501. Creation of Project Fund; Deposit of Bond Proceeds.

There is hereby established the “Diamond District Revenue Bond Project Fund.” Proceeds of each Series of Bonds shall be deposited in the Project Fund as provided in the Supplemental Trust Agreement under which each such Series of Bonds is issued. If so directed in a Supplemental Trust Agreement, there shall be maintained within the Project Fund such Accounts as may be provided in such Supplemental Trust Agreement. Deposits shall be made to the credit of the Project Fund and any Accounts established therein as provided in such Supplemental Trust Agreement. All earnings on moneys in each Account and Subaccount shall be credited to such Account and Subaccount.

The Trustee shall hold the moneys in the Project Fund in trust to be applied as provided in Section 503 to pay the Cost of a Project and as otherwise provided in Sections 504 and 606.

Section 502. Cost of a Project.

The Cost of a Project shall include: the cost of improvements; the cost of construction; the cost of acquisition of all lands, structures, rights-of-way, franchises, easements and other property rights and interests; the cost of demolishing, removing or relocating any buildings or structures on lands acquired, including the cost of acquiring any lands to which such buildings or structures may be moved or relocated; the cost of all labor, materials, machinery and equipment; financing charges and interest on any Series of Bonds prior to and during construction and, if deemed advisable by the Authority, for a period not exceeding one year after completion of such construction; the cost of engineering, financial and legal services, plans, specifications, studies, surveys, estimates of cost and of revenues, and other expenses necessary or incident to determining the feasibility or practicability of constructing a Project; administrative expenses, provisions for working capital, reserves for interest and for extensions, enlargements, additions and improvements; such other expenses as may be necessary or incidental to the construction of a Project, the financing of such construction and the placing of a Project in operation; the costs of issuing the Bonds; and all other costs permitted by the IDA Act. Any obligation or expense incurred by the City, with the approval

of the Authority, for studies, surveys, borings, preparation of plans and specifications or other work or materials in connection with the construction of a Project may be regarded as a part of the Cost of a Project and may be reimbursed to the City out of the proceeds of the Bonds issued for such Project.

Section 503. Payments from Project Fund.

The Trustee shall disburse moneys in the Project Fund to, or at the direction of, the Authority, and the Authority shall use moneys in the Project Fund to pay the Cost of a Project. Before any disbursement shall be made from the Project Fund, the Trustee shall have been presented with a requisition, in substantially the form attached hereto as Exhibit A, signed by either an Authorized Authority Representative or Authorized City Representative stating (a) the name of the person, firm or corporation to whom such payment is to be made, (b) the amount to be paid, (c) the purpose in reasonable detail for which such payment is to be made and (d) if applicable, from which Account such payment is to be made. A requisition may represent reimbursement of the Authority or the City for the Cost of a Project initially paid by the Authority or the City or may represent payment to the Authority or the City of moneys to be paid in turn by the Authority or the City to third parties for the Cost of a Project.

Upon receipt of each such requisition, the Trustee shall disburse moneys from the Project Fund in accordance with such requisition.

Section 504. Disposition of Balance in Project Fund.

When the Trustee shall have received a certificate, signed by an Authorized Authority Representative, stating either that all items of the Cost of a Project have been paid or what items of the Cost of a Project have not been paid and for the payment of which moneys should be reserved in the Project Fund, the balance of any moneys remaining in the Project Fund in excess of the amount to be reserved for payment of unpaid items of the Cost of a Project shall be used, at the written direction of an Authorized Authority Representative, to pay (a) principal of and interest on the Series of Bonds that provided such proceeds or to purchase Bonds on the open market to the extent approved by Bond Counsel or (b) all or any portion of the Cost of any other Project designated by the Authority and approved by Bond Counsel.

ARTICLE VI

FUNDS AND ACCOUNTS

Section 601. Creation of Funds and Accounts.

There is hereby established with the Trustee the following Funds and Accounts:

(a) A Bond Fund, in which there are established an Interest Account, a Principal Account and a Premium Account, and a separate Subaccount in each such Account with respect to each Series of Bonds issued hereunder; and

(b) A Debt Service Reserve Fund, in which there shall be established a separate Series Debt Service Reserve Account for each applicable Series of Bonds for which there is established a Series Debt Service Reserve Requirement.

Section 602. Bond Fund.

(a) Installments of all Debt Service Payments received by the Trustee from the City, together with (x) any Rent Payments transferred to the Trustee by the Authority pursuant to the provisions of Section 5 of the Cooperation Agreement and (y) any other amounts transferred from the Project Fund or the Debt Service Reserve Fund pursuant to the provisions of the Cooperation Agreement or this Agreement or any other payments transferred to the Authority or its assignee as directed by the City, shall be deposited in the Bond Fund. The Trustee shall deposit each installment (1) to the Subaccount established for each Series of Bonds in the Interest Account, an amount equal to the interest due and payable on the next Bond Payment Date for such Bonds, and (2) to the Subaccount established for each Series of Bonds in the Principal Account, an amount equal to the principal due and payable on the next Bond Payment Date for such Bonds, whether at maturity or mandatory sinking fund, extraordinary or optional redemption. The Trustee shall deposit in the Subaccount established for each Series of Bonds in the Premium Account any moneys received by the Trustee from the Authority or the City to pay any premium due in connection with redeeming such Bonds pursuant to any optional or extraordinary redemption exercised by the Authority, at the direction of the City. The Trustee shall use such moneys to pay the applicable premium due on such Bonds in accordance with the redemption provisions for such Bonds.

Notwithstanding anything in this Agreement to the contrary, at any time the Trustee is required to make transfers pursuant to subsections (1) and (2) in the preceding paragraph, and there are insufficient moneys to make all required transfers pursuant to such subsections, the Trustee shall make the transfers ratably from the moneys available.

(b) The Trustee shall withdraw from the respective Subaccounts within the Interest Account and the Principal Account, on each Bond Payment Date, amounts equal to the amounts of interest and principal, if any, due with respect to the Bonds on such Bond Payment Date, and shall cause the same to be applied to the payment of interest and principal, respectively, if any, due on such Bond Payment Date. If such Bond Payment Date is not a Business Day, such payment shall be made on the next succeeding Business Day with the same effect as if made on the day such payment was due, and no additional interest shall accrue thereon. In the event there are insufficient moneys in the Interest Account or the Principal Account on any Bond Payment Date to pay interest and principal, if any, due on such Bond Payment Date, the Trustee shall transfer any excess amounts on deposit in the Interest Account or the Principal Account, as applicable, to the other Account in which there are insufficient moneys, and then if a deficiency remains, in accordance with Section 603, transfer moneys on such Bond Payment Date in the amount of such remaining deficiency from the respective Series Debt Service Reserve Account, if any, first to the applicable Subaccount(s) within the Interest Account and then to the applicable Subaccount(s) within the Principal Account, and shall cause the same to be applied to the payment of interest and principal, if any, due on such Bond Payment Date.

(c) Any moneys in the Bond Fund transferred from the Project Fund pursuant to Section 504 of this Agreement shall be deposited to the Account or Subaccount as directed in writing by an Authorized City Representative and credited against the next Debt Service Payment required to be paid by the City and shall be used, together with other available amounts, to pay interest and principal, if any, due on the next Bond Payment Date or Dates.

(d) The Trustee shall provide for redemption of any Term Bonds from amounts upon deposit in the Bond Fund in accordance with the schedule(s) set forth in the Supplemental Trust Agreement for such Bonds; provided, however, that on or before the 45th day next preceding any such sinking fund payment date, the Authority may:

(1) deliver to the Trustee for cancellation Term Bonds required to be redeemed on such sinking fund payment date in any aggregate principal amount desired; or

(2) instruct the Trustee to apply a credit against the Authority's next sinking fund redemption obligation for any such Term Bonds that previously have been redeemed (other than through the operation of sinking fund payments) and canceled but not theretofore applied as a credit against any sinking fund redemption obligation.

Upon the occurrence of any of the events described in subsections (1) or (2) of this subsection (d), the Trustee shall credit against the Authority's sinking fund redemption obligation on the next sinking fund payment date the amount of such Term Bonds so delivered or previously redeemed. Any principal amount of such Term Bonds in excess of the principal amount required to be redeemed on such sinking fund payment date shall be similarly credited in such order as may be determined by the Authority against future payments to the Principal Account and shall similarly reduce the principal amount of the Term Bonds of the applicable Series to be redeemed on the applicable sinking fund payment date.

(e) In the event the amount on deposit in the Interest Account on any Bond Payment Date shall exceed the amount required to pay interest on the Bonds on such Bond Payment Date, the Trustee shall transfer such excess first to the Principal Account to the extent of any deficiency therein and then, if the amount on deposit in any Series Debt Service Reserve Account is less than the applicable Series Debt Service Reserve Requirement, to such Series Debt Service Reserve Account, and otherwise retain any remaining excess in the Interest Account or transfer such excess to the Principal Account to be credited against subsequent required deposits thereto.

(f) In the event the amount on deposit in the Principal Account on any Bond Payment Date shall exceed the amount required on such date to pay Bonds at maturity or to redeem Term Bonds pursuant to mandatory sinking fund requirements, the Trustee shall transfer such excess first to the Interest Account to the extent of any deficiency therein and then, if the amount on deposit in any Series Debt Service Reserve Account is less than the applicable Series Debt Service Reserve Requirement, to such Series Debt Service Reserve Account to the extent of such deficiency, and otherwise retain such excess in the Principal Account or transfer such excess to the Interest Account to be credited against subsequent required deposits thereto.

Section 603. Debt Service Reserve Fund.

(a) The Trustee shall use moneys in the Series Debt Service Reserve Accounts, if any, within the Debt Service Reserve Fund to make transfers to the Bond Fund to the extent necessary to pay when due the principal of (whether at maturity or by mandatory sinking fund redemption) and interest on the applicable Series of Bonds if the amounts on deposit in the Bond Fund are insufficient therefor. Moneys in each Series Debt Service Reserve Account shall be pledged only to the Series of Bonds as shall be specified in the corresponding Supplemental Trust Agreement(s) and to any additional Series issued to refund such Bonds, if and as provided in the related Supplemental Trust Agreement(s), and shall not be used for any other Series of Bonds.

(b) In the event one or more Series Debt Service Reserve Accounts is established, the Trustee shall determine, within five Business Days after each Reserve Determination Date, if the balance on deposit in each Series Debt Service Reserve Account was, as of the Reserve Determination Date, at least equal to the applicable Series Debt Service Reserve Requirement. In making such determination, any obligations in the Series Debt Service Reserve Account shall be valued in accordance with Section 704.

(c) In the event the amount on deposit in any Series Debt Service Reserve Account is less than the applicable Series Debt Service Reserve Requirement, the Trustee shall promptly notify and request the City to make a Bond Cost Payment in an amount equal to the amount of such deficiency to the Trustee as provided in Section 3(c) of the Cooperation Agreement.

(d) In the event the amount on deposit in a Series Debt Service Reserve Account exceeds the applicable Series Debt Service Reserve Requirement, the Trustee shall transfer such excess to the Bond Fund to be deposited, as directed in writing by an Authorized Authority Representative, in the applicable Subaccounts of the Interest Account and the Principal Account to the extent amounts in such Subaccounts are less than the amounts required to be paid on the applicable Series of Bonds on the next Bond Payment Date, and otherwise transfer any remaining excess to, or at the direction of, the Authority; provided, however, that if an Authorized Authority Representative calls for a Reserve Determination Date in connection with the refunding or defeasance of all or a portion of a Series of Bonds, then the Trustee is authorized to take such refunding or defeasance into account in valuing the Series Debt Service Reserve Account securing such Series of Bonds and is further authorized to apply the amount of any surplus arising from such valuation to reduce the amount of the refunding Bonds and/or to provide for the defeasance of the Series of Bonds in such manner as the Authorized Authority Representative may direct in writing.

(e) In lieu of or in addition to cash or investments, at any time the City may cause to be deposited to the credit of any Series Debt Service Reserve Account any form of credit facility, in the amount of all or a portion of the applicable Series Debt Service Reserve Requirement, irrevocably payable to the Trustee as beneficiary for the holders of the respective Series of Bonds, provided that the Trustee has received evidence satisfactory to it that

(1) the provider of the credit facility shall be (A) an insurer that has been assigned either (i) one of the two highest policyholder ratings accorded insurers by A. M. Best & Co. or any comparable service or (ii) a rating in one of the three highest rating

categories (without regard to gradations within such categories) by a Rating Agency or (B) a commercial bank, insurance company or other financial institution that has been assigned a rating by in one of the three highest rating categories (without regard to gradations within such categories) by a Rating Agency;

(2) the undertaking of the City to pay the fees of and to reimburse the provider of the credit facility is subordinate to its undertaking to pay principal of and interest on the respective Series of Bonds,

(3) the term of the credit facility is at least equal to the lesser of (A) 24 months and (B) the remaining term of the Bonds secured thereby,

(4) the only condition to a drawing under the credit facility is insufficient amounts in the applicable Funds and Accounts held by the Trustee with respect to such Series of Bonds when needed to pay principal of and interest on such Series or the expiration of the credit facility and

(5) with respect to any credit facility with a term in excess of 12 months, the provider of the credit facility shall notify the City and the Trustee at least 12 months prior to the expiration of the credit facility.

If (i) the City receives such expiration notice and the provider of such credit facility does not extend its expiration date, (ii) the City receives notice of the termination of the credit facility or (iii) the provider of such credit facility no longer satisfies the criteria set forth in clause (d)(1), the City shall (A) provide a substitute credit facility that meets the requirements set forth in the foregoing sentences no later than (1) the expiration date in the case of receipt of an expiration notice, (2) the termination date in the case of receipt of a termination notice or (3) 60 calendar days after the reduction in the credit rating in the case of a reduction in credit rating described in clause (iii) above, (B) deposit an amount equal to the applicable Series Debt Service Reserve Requirement to the respective Series Debt Service Reserve Account in equal monthly installments over the next succeeding 12 months or (C) instruct the Trustee to draw on such credit facility in the amount of the Series Debt Service Reserve Requirement (1) 12 months prior to expiration of the credit facility in the case of receipt of an expiration notice, (2) prior to the termination date in the case of receipt of a termination notice or (3) within 60 calendar days of the reduction in the credit rating in the case of a reduction in credit rating described in clause (iii) above and deposit the proceeds of such drawing to the Series Debt Service Reserve Account.

(f) If a disbursement is made pursuant to any credit facility, the City shall either (1) reinstate the maximum limits of such credit facility or (2) deposit to the credit of the applicable Series Debt Service Reserve Account moneys in the amount of the disbursement made under such credit facility from moneys transferred by the City as a Bond Cost Payment in an amount equal to the amount of such deficiency as provided in Section 3(c) of the Cooperation Agreement.

(g) Amounts, if any, released from any Series Debt Service Reserve Account upon deposit to the credit of such Account of a credit facility pursuant to Section 603(e) shall, upon designation by an Authorized City Representative, accompanied by an opinion of Bond Counsel that such use will not adversely affect the exclusion from gross income of interest on the respective

Series of Bonds if the interest on such Bonds was excludable from gross income for federal income tax purposes at the time of their issuance, be transferred (1) to the Subaccount(s) within the Principal Account with respect to such Series of Bonds and used to pay principal of or to redeem such Bonds, (2) to the Project Fund and used for payment of the Cost of a Project with respect to such Series or (3) to, or at the direction of, the City.

Section 604. Other Funds and Accounts.

The Authority may establish in each Supplemental Trust Agreement such other Funds, Accounts and Subaccounts as the Authority may determine to be desirable.

Section 605. Pledge of Certain Funds and Accounts.

Moneys in the Bond Fund, the Project Fund and the Debt Service Reserve Fund shall be trust funds and are hereby pledged equally and ratably to the payment of the principal of and interest on all Bonds (except as provided in the next sentence hereof), subject only to the right of the Authority to make application thereof, or to direct the Trustee to make application thereof, to other purposes as provided herein. The lien and trust hereby created are for the benefit of the Bondholders and for their additional security until all the Bonds have been paid; provided, however, that the moneys in each Series Debt Service Reserve Account shall secure only the applicable Series of Bonds (which may include one or more Series of Bonds) specified by one or more Supplemental Trust Agreements and any additional Series of Bonds issued to refund such original Series of Bonds if and as provided in the respective Supplemental Trust Agreement(s); moneys in any Account or Subaccount of the Bond Fund relating to a particular Series of Bonds shall secure only such Bonds; and moneys in any Account or Subaccount of the Project Fund relating to a particular Series of Bonds shall secure only such Bonds.

Section 606. Disposition of Balances in Funds after Payment of Bonds.

After the principal of and premium, if any, and interest on all of the Bonds, any amounts required to be paid pursuant to the terms of this Agreement, any Supplemental Trust Agreement or the Cooperation Agreement, and all expenses and charges herein required have been paid or provision therefor has been made, the Trustee shall pay to, or at the direction of, the Authority any balance remaining in any Fund then held by it.

ARTICLE VII

SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 701. Security for Deposits.

All moneys held in the Funds and Accounts created by this Agreement that are on deposit with any bank shall be continuously secured in the manner required by the Virginia Security for Public Deposits Act (Chapter 44, Title 2.2 of the Virginia Code) or any successor provision of law.

Section 702. Investment of Moneys.

Any moneys held in the Funds and Accounts shall be invested and reinvested by the Trustee, as directed in writing by an Authorized Authority Representative or an Authorized City Representative, in Investment Obligations, subject to the limitations stated herein. The term "Investment Obligations" shall mean any of the obligations or securities that are at the time legal investments for public funds under the Investment of Public Funds Act (Chapter 45, Title 2.2 of the Virginia Code), the Government Non-Arbitrage Investment Act (Chapter 47, Title 2.2 of the Virginia Code), or any successor provisions of law applicable to such investments.

Moneys held in the following Funds and Accounts shall be invested in obligations described in this Section of the following maturities:

(1) Project Fund - not later than the dates on which such moneys will be needed to pay the Cost of a Project as projected in writing by an Authorized Authority Representative or an Authorized City Representative;

(2) Bond Fund - not later than the dates on which such moneys will be needed to pay principal of or redemption premium, if any, or interest on the applicable Series of Bonds; and

(3) Series Debt Service Reserve Accounts within the Debt Service Reserve Fund - not later than the earlier of (A) ten years from the date of acquisition of the investment or (B) the final maturity of the applicable Series of Bonds.

For purposes of this Section, investments shall be considered as maturing on the date on which they are redeemable without penalty at the option of the holder or the date on which the Authority, the City or the Trustee may require their repurchase pursuant to a repurchase agreement.

Whenever a payment or transfer of moneys between Funds or Accounts is permitted or required, such payment or transfer may be made in whole or in part by transfer of one or more Investment Obligations at a value determined in accordance with Section 704, provided that the Investment Obligations transferred are permitted investments for the Fund or Account receiving such Investment Obligations.

Unless otherwise provided in this Agreement, earnings on Investment Obligations shall accrue to, and losses on Investment Obligations shall be charged to, the Fund, Account or Subaccount in which such Investment Obligations are on deposit, or, at the written direction of an Authorized Authority Representative or an Authorized City Representative, any such earnings shall be transferred to and deposited in the Project Fund.

Section 703. Investment of Surplus Moneys.

The Authority or the City shall direct the Trustee in writing to provide for the investment of all moneys in any Fund or Account held by it not immediately necessary for the purposes of such Fund or Account so that all idle moneys may be invested for the benefit of the Bondholders.

Section 704. Valuation of Investments.

In computing the amount in any Fund, Account or Subaccount created by this Agreement, except for any Series Debt Service Reserve Account, obligations purchased as an investment of moneys therein shall be valued at cost or fair market value thereof, whichever is lower, plus accrued interest. Investments in any Series Debt Service Reserve Account shall be valued at least semiannually at the fair market value thereof, plus accrued interest. Except as may be otherwise set forth in a Supplemental Trust Agreement or the Cooperation Agreement, valuations for each such Fund, Account or Subaccount, other than any Series Debt Service Reserve Account, shall be made by the party holding each such Fund, Account or Subaccount at least annually not later than the end of each Fiscal Year and at such other times as an Authorized Authority Representative or an Authorized City Representative may direct.

Section 705. Investments through Trustee's Bond Department.

The Trustee may make investments permitted by Section 702 through its own bond department or the bond department of any affiliate.

Section 706. Investments by Trustee.

The Trustee shall not be liable for any losses, fees, taxes or other charges resulting from investments, reinvestments or liquidation of investments made by it pursuant to the provisions of Section 702.

Section 707. Investments in Bonds by Trustee.

The bank or trust company acting as Trustee and its directors, officers, employees or agents may in good faith buy, sell, own, hold and deal in the Bonds and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee. To the extent permitted by law, such bank or trust company may also receive tenders and purchase in good faith Bonds from itself, including any department, affiliate or subsidiary, with like effect as if it were not the Trustee.

ARTICLE VIII

PARTICULAR COVENANTS

Section 801. Payment of Bonds; Limited Obligations.

The Authority shall promptly pay or cause to be paid when due the principal of (whether at maturity, call for redemption or otherwise) and premium, if any, and interest on the Bonds at the places, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof; provided, however, that such obligations are not general obligations of the Authority but are limited obligations payable solely from the revenues and receipts derived from the City under the Cooperation Agreement, except to the extent payable from the proceeds of Bonds, the income, if any, derived from the investment thereof, certain reserves and income from investments pursuant to this Agreement, revenues and receipts and other amounts derived from any other security pledged pursuant to a Supplemental Trust Agreement, which revenues and

other moneys are hereby specifically pledged to such purposes in the manner and to the extent provided herein. The Bonds and the premium, if any, and interest thereon shall not be deemed to create or constitute an indebtedness or a pledge of the faith and credit of the Commonwealth or of any city, county, town or other political subdivision thereof, including the City. Neither the Commonwealth nor any political subdivision, thereof, including the Authority and the City, shall be obligated to pay the principal of or premium, if any, or interest on the Bonds or other costs incident thereto except from the revenues and receipts pledged and assigned therefor, and neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof, including the Authority and the City, is pledged to the payment of the principal of or premium, if any, or interest on the Bonds or other costs incident thereto. The Authority has no taxing power.

Section 802. Authority Covenants, Representations and Warranties.

(a) The Authority is a political subdivision of the Commonwealth of Virginia duly created under the IDA Act.

(b) Pursuant to the IDA Act, the Authority has full power and authority to enter into the Cooperation Agreement and this Agreement, to perform the transactions contemplated thereby and to carry out its obligations thereunder and by proper action has duly authorized, executed and delivered such agreements.

(c) The execution, delivery and compliance by the Authority with the terms and conditions of the Cooperation Agreement and this Agreement will not conflict with, or constitute or result in a default under or violation of, (1) any existing law, rule or regulation applicable to the Authority or (2) any trust agreement, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or other restriction of any kind to which the Authority or any of its assets is subject.

(d) No further approval, consent or withholding of objection on the part of any regulatory body or any official, federal, state or local, is required in connection with the execution or delivery of or compliance by the Authority with the terms and conditions of the Basic Agreements, except that no representation is made as to the applicability of any federal or state securities laws; and

(a) There is no litigation at law or in equity or any proceeding before any governmental agency involving the Authority pending or, to the knowledge of the Authority, threatened against the Authority with respect to (1) the creation and existence of the Authority, (2) its authority to execute and deliver the Cooperation Agreement or this Agreement, (3) the validity or enforceability of such agreements or the Authority's performance of its obligations thereunder, (4) the title of any officer of the Authority executing such agreements or (5) the ability of the Authority to issue and sell its Bonds.

(b) Subject to the provisions of Section 801, the Authority covenants to faithfully observe and perform all of its covenants, conditions and agreements contained in this Agreement and to promptly pay the principal of and premium, if any, and interest on the Bonds at the places, on the dates, and in the manner specified in this Agreement and the Bonds.

(c) The Authority agrees that all Debt Service Payments and any Bond Cost Payments made by the City for the purpose of restoring the amount in any Series Debt Service Reserve Account to the Series Debt Service Reserve Requirement shall inure to the benefit of the Bondholders. The Authority further covenants that it shall neither make or consent to any change or modification of the Cooperation Agreement that would reduce the Debt Service Payments or the Bond Cost Payments, extend the time for payment of Debt Service Payments provided therein, nor permit any change that would reduce the Debt Service Payments or the Bond Cost Payments under the Cooperation Agreement, except as provided herein and in the Cooperation Agreement.

(d) The Authority covenants that it shall not suffer, permit or take any action or fail to take any action that may result in the termination or cancellation of the Cooperation Agreement by the City. The Authority also covenants that it shall fulfill its obligations and shall use its best efforts to assure that the City performs its duties and undertakings and complies with its covenants pursuant to the Cooperation Agreement, and that it shall not agree to any abatement, reduction, abrogation, waiver, diminution or other modification of the undertaking of the City to make any Debt Service Payments and to meet any of its other duties, undertakings or covenants pursuant to the Cooperation Agreement, except as provided in this Agreement and the Cooperation Agreement. The Authority further covenants that it shall promptly notify the Trustee of any actual or alleged event of default under the Cooperation Agreement of which it has notice and shall notify the Trustee upon or before the proposed effective date of any proposed termination or cancellation of the Cooperation Agreement.

(e) The Authority covenants that the Trustee, subject to the provisions of the Cooperation Agreement and this Agreement reserving certain rights to the Authority and respecting actions by the Trustee in its name or in the name of the Authority, may enforce for and on behalf of the Bondholders all rights of the Authority and all undertakings of the City under and pursuant to the Cooperation Agreement providing for the delivery and receipt of Debt Service Payments whether or not the Authority is in default under this Agreement.

(f) The Authority covenants to execute, acknowledge and deliver any indentures or agreements supplemental hereto and other acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, conveying, pledging and assigning to the Trustee of all the rights and funds assigned by this Agreement to secure the payment of the principal of and premium, if any, and interest on the Bonds. The Authority covenants to fully cooperate with the Trustee and the Bondholders in protecting the rights and security of the Bondholders.

(g) The Authority covenants not (1) to use the proceeds of any Bonds (including failure to spend the same with due diligence) or take any other action that would cause any Bonds (the interest on which was excludable from gross income for federal income tax purposes at the time of their issuance) to be “arbitrage bonds” within the meaning of Section 148 of the Code or (2) barring unforeseen circumstances, to approve the use of the proceeds from the sale of any Bonds (the interest on which was excludable from gross income for federal income tax purposes at the time of their issuance) otherwise than in accordance with the Authority’s “non-arbitrage” certificate given immediately prior to the issuance of such Bonds; provided, however, that if the Authority receives an opinion of Bond Counsel that any such covenants need not be complied with

to prevent the interest on such Bonds from being includable in gross income for federal income tax purposes under existing law, the Authority need not comply with such covenants.

(h) The Authority covenants not to permit the proceeds of any Bonds (the interest on which was excludable from gross income for federal income tax purposes at the time of their issuance) to be used in any manner that would result in (i) 10% or more of such proceeds or the facilities financed or refinanced with such proceeds being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, provided that no more than 5% of such proceeds may be used in a trade or business unrelated or disproportionate to the Authority's use of the Project financed or refinanced by such Bonds, (ii) 5% or more of such proceeds being used with respect to any "output facility" (other than a facility for the furnishing of water) within the meaning of Section 141(b)(4) of the Code or (iii) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit as provided in Section 141(c) of the Code; provided, however, that if the Authority receives an opinion of Bond Counsel that any such covenants need not be complied with to prevent the interest on such Bonds from being includable in gross income for federal income tax purposes under existing law, the Authority need not comply with such covenants.

(i) The Authority covenants not to use, or permit the use of, any Project, or any portion thereof, for any use that would adversely affect the exclusion of interest from gross income for federal income tax purposes on any Bonds (the interest on which was excludable from gross income for federal income tax purposes at the time of their issuance). Without limiting the generality of the foregoing, the Authority covenants to either (i) take actions to prevent any such use that would cause such Bonds to be "private activity bonds," (2) redeem any Bond whose tax status would be adversely affected by such use prior to commencement of the proposed use or (3) take remedial action under the Code that would allow such use to be undertaken without an adverse effect on the tax status of Bonds (the interest on which was excludable from gross income for federal income tax purposes at the time of their issuance).

Section 803. Notices of Non-Payment, Reserve Deficit, Non-Appropriation.

In the event of (a) a delinquency in the payment of any Debt Service Payment when due pursuant to the Cooperation Agreement or (b) a deficit in a Series Debt Service Reserve Account, the Trustee shall, within 10 calendar days following the date upon which (x) such delinquent Debt Service Payment was due or (y) such deficit was determined, as applicable, immediately give notice thereof to the City. The failure to give such notice shall not affect the undertaking of the City to pay any such Debt Service Payment or amount necessary to restore a Series Debt Service Reserve Requirement.

Section 804. No Obligation to Bondholders for Debt Service Payments.

The Authority shall have no obligation or liability to the Trustee or the Bondholders with respect to the payment of Debt Service Payments by the City when due or with respect to the performance by the City of any other covenant made by it in the Cooperation Agreement.

Section 805. Trustee Covenants.

The Trustee covenants to deposit, invest and apply amounts received under this Agreement, including the Debt Service Payments, in accordance with the provisions hereof.

Section 806. Further Assurances.

The parties hereto shall make, execute and deliver any and all such further documents, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Agreement and for the better assuring and confirming unto the Trustee and the Bondholders of their rights and benefits provided in this Agreement and the Cooperation Agreement.

ARTICLE IX

DEFAULTS AND REMEDIES

Section 901. Events of Default.

Each of the following events shall be an Event of Default:

(a) Default in the due and punctual payment of the principal of or premium, if any, on any Bond (whether at maturity, call for redemption or otherwise);

(b) Default in the due and punctual payment of the interest on any Bond; and

(c) Subject to the provisions of Section 4(c) of the Cooperation Agreement, failure of the City to pay when due any Debt Service Payment due under Section 3(b) of the Cooperation Agreement or any Bond Cost Payment for the purpose of restoring a Series Debt Service Reserve Account the applicable Series Debt Service Reserve Requirement under Section 3(c) of the Cooperation Agreement and continuation of such failure for a period of five Business Days;

(d) Failure of the City to pay when due any other Bond Cost Payment due under the Cooperation Agreement (except for payments of any redemption premium due on Bonds) or to observe and perform any covenant, condition or agreement on its part to be observed or performed, which failure shall continue for a period of 30 calendar days after notice is given, or in the case of any such default that cannot with due diligence be cured within such 30-day period but can be cured within the succeeding 60 calendar days, failure of the City to proceed promptly to cure the same and thereafter prosecute the curing of such default with due diligence;

(e) Failure of the Authority to observe and perform any of its other covenants, conditions or agreements under this Agreement or in the Bonds for a period of 30 calendar days after written notice either from the Trustee or holders of not less than 25% in aggregate principal amount of Bonds then Outstanding (unless, if such notice is received from the Trustee, the Trustee should agree in writing to an extension of such time prior to its expiration), specifying such failure and requesting that it be remedied, or in the case of any such default that is capable of being cured but cannot with due diligence be cured within such 30-day period, failure of the Authority to

proceed promptly to cure the same and thereafter prosecute the curing of such default with due diligence.

Section 902. Notice to Bondholders of Certain Default.

If the Trustee is required to draw moneys from a Series Debt Service Reserve Account to pay principal of or interest on the related Series of Bonds and the City fails to make any subsequent deposit required by Section 3(c) of the Cooperation Agreement, then the Trustee shall send a notice to the Bondholders notifying them of such draw.

Section 903. Remedies; Rights of Bondholders.

Upon the occurrence and continuation of an Event of Default and if requested by the holders of not less than 25% in aggregate principal amount of Bonds then Outstanding and indemnified to its satisfaction in accordance with prevailing industry standards, the Trustee shall proceed to protect and enforce the Bondholders' rights by mandamus or other suit, action or proceeding at law or in equity, including an action for specific performance of any covenant or agreement herein contained; provided, however, that the Trustee shall have no right or authority to declare the entire unpaid principal of Bonds then due and payable.

No remedy conferred by this Agreement upon or reserved to the Trustee or Bondholders is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or Bondholders hereunder or now or hereafter existing at law, in equity or by statute.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder by the Trustee or Bondholders shall extend to or affect any subsequent default or Event of Default or impair any rights or remedies consequent thereon.

Section 904. Right of Bondholders to Direct Proceedings.

Anything in this Agreement to the contrary notwithstanding, the holders of a majority in aggregate principal amount of Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Agreement or any other proceedings hereunder; provided, however, that such direction shall not be otherwise than in accordance with the provisions of law and of this Agreement.

Section 905. Application of Moneys.

(a) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings

resulting in the collection of such moneys, the expenses, liabilities and advances incurred or made by the Trustee and its fees and the expenses of the Authority in carrying out this Agreement, be deposited in the Bond Fund and applied as follows and for no other purpose:

(1) Unless the principal of all the Outstanding Bonds shall have become due, all moneys shall be applied:

First - To the payment to the persons entitled thereto of all installments of interest then due on the Outstanding Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds; and

Second - To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Outstanding Bonds that shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Agreement), in the order of their due dates, with interest on such Bonds at the respective rates specified therein from the respective dates upon which they become due and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then first to the payment of such interest, ratably, according to the amount of such interest due on such date, and then to the payment of such principal and premium, if any, ratably, according to the amount of such principal and premium, if any, due on such date, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

(2) If the principal of all the Outstanding Bonds shall have become due, all such moneys shall be applied to the payment of the principal, premium, if any, and interest then due and unpaid on such Bonds, including, to the extent permitted by law, interest on overdue installments of interest, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal, premium, if any, and interest, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times and from time to time as the Trustee shall be directed in writing by the holders of a majority in aggregate principal amount of Bonds then Outstanding or, absent such written direction, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be a Bond Payment Date unless it shall deem another date more suitable) on which such application is to be made and on such date interest on the amounts of principal and

overdue installments of interest, if any, to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date.

(c) Whenever the principal of and premium, if any, and interest on all Bonds have been paid under the provisions of this Section, all payments required by the terms of any Supplemental Trust Agreement have been paid and all expenses and charges of the Trustee have been paid, any balance remaining in the several Funds and Accounts created by this Agreement shall be paid to, or at the direction of, the City as provided in Section 606.

Section 906. Remedies Vested in Trustee.

All rights of action (including the right to file proof of claims) under this Agreement or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto and any such suit or proceeding instituted by the Trustee may be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Bondholder, and any recovery of judgment shall be for the equal benefit of the holders of all Bonds then Outstanding.

Section 907. Limitation on Suits.

Except to enforce the rights given under Section 903, no Bondholder shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Agreement or for the execution of any trust thereof or any other remedy hereunder, unless (a) a default has occurred and is continuing of which the Trustee has been notified as provided in Section 1101(h), or of which it is deemed to have notice by such Section, (b) such default has become an Event of Default and the holders of 25% in aggregate principal amount of Bonds then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (c) such requesting Bondholders have offered to the Trustee indemnity as provided in Section 1101(k), (d) the Trustee has thereafter failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its or their own name or names, (e) no direction inconsistent with such written request has been given to the Trustee by the holders of a majority in aggregate principal amount of Bonds then Outstanding and (f) notice of such action, suit or proceeding is given to the Trustee; it being understood and intended that no one or more holders of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice this Agreement by its or their action or to enforce any rights hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained in the manner herein provided and for the equal benefit of the holders of all Bonds then Outstanding. The notification, request and offer of indemnity set forth above, at the option of the Trustee, shall be conditions precedent to the execution of the powers and trusts of this Agreement and to any action or cause of action for the enforcement of this Agreement or for any other remedy hereunder.

Section 908. Termination of Proceedings.

In case the Trustee shall have proceeded to enforce any right under this Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been

determined adversely to the Trustee, then and in every such case the Authority, the City and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 909. Waivers of Events of Default.

(a) The Trustee shall waive or rescind any Event of Default under Section 901(a) or (b) or any action taken pursuant to any Event of Default under Section 901(a) or (b) either:

(1) on the request of the holders of all Bonds then Outstanding, or

(2) on the request of the holders of a majority in aggregate principal amount of Bonds then Outstanding in respect of which a default in the payment of principal, premium, if any, or interest exists, provided that prior to such waiver or rescission there shall have been paid or provided for all arrears of interest with interest, to the extent permitted by law, at the rate borne by the applicable Bonds on overdue installments of interest, all arrears of principal and premium, if any, and all expenses of the Trustee in connection with such default.

(b) The Trustee shall waive or rescind any Event of Default other than under Section 901(a) or (b) or any action taken pursuant to any Event of Default other than under Section 901(a) or (b) on the request of the holders of a majority in aggregate principal amount of Bonds then Outstanding.

(c) In the case of any such waiver or rescission or in the case of any discontinuance, abandonment or adverse determination of any proceeding taken by the Trustee on account of any such default, the Authority, the Trustee and the Bondholders shall be restored to their former respective positions and rights hereunder.

(d) No waiver or rescission granted pursuant to this Section 909 shall extend to any subsequent or other default or impair any right consequent thereon.

Section 910. Unconditional Right to Receive Principal, Premium and Interest.

Nothing in this Agreement shall, however, affect or impair the right of the Trustee or any Bondholder to enforce, by action at law, payment of the principal of or premium, if any, or interest on any Bond at and after the maturity thereof, or on the date fixed for redemption, or the obligation of the Authority to pay the principal of and premium, if any, and interest on each of the Bonds issued hereunder to the respective holders thereof at the time and place, from the source and in the manner in this Agreement and the Bonds.

ARTICLE X

**SUPPLEMENTAL AGREEMENTS OF TRUST;
SUPPLEMENTAL COOPERATION AGREEMENTS**

Section 1001. Supplemental Agreements of Trust Not Requiring Consent of Bondholders.

The Authority and the Trustee may, without the consent of, or notice to, any of the Bondholders, enter into Supplemental Agreements of Trust as shall not be inconsistent with the intent of the terms and provisions hereof for any one or more of the following purposes:

(a) To cure any ambiguity, formal defect or omission in this Agreement or a Supplemental Trust Agreement;

(b) To correct or supplement any provision herein that may be inconsistent with any other provision herein or to insert such provisions clarifying matters or questions arising under this Agreement as are necessary or desirable and are not contrary to or inconsistent with this Agreement as theretofore in effect;

(c) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred on the Trustee or the Bondholders;

(d) To modify, amend or supplement this Agreement in such manner as required to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or any state securities or "Blue Sky" law, and, if they so determine, to add to this Agreement such other terms, conditions and provisions as may be required by said Trust Indenture Act of 1939, as amended, or similar federal statute or state securities law;

(e) To modify, amend or supplement this Agreement in such manner as required to reflect any change in applicable law, provided that such modification, amendment or supplement does not, in the opinion of the Trustee (which opinion may be based upon an Opinion of Counsel), materially adversely affect the holders of all Bonds then Outstanding;

(f) To add to the conditions, limitations, restrictions, covenants and agreements of the Authority in this Agreement other conditions, limitations, restrictions, covenants and agreements to be observed by the Authority;

(g) To modify, amend or supplement this Agreement in such manner as required to permit the Authority to comply with the provisions of the Code relating to the rebate to the United States of America of earnings derived from the investment of the proceeds of Bonds, provided that such modification, amendment or supplement does not, in the opinion of the Trustee (which opinion may be based upon an Opinion of Counsel), materially adversely affect the holders of all Bonds then Outstanding;

(h) To modify, amend or supplement this Agreement in such manner as may be required by a Rating Agency to maintain its rating on the Bonds, provided that such modification, amendment or supplement does not, in the opinion of the Trustee (which opinion may be based

upon an Opinion of Counsel), materially adversely affect the holders of all Bonds then Outstanding;

(i) To authorize the issuance of and to secure one or more Series of Bonds pursuant to Article III; and

(j) To modify, amend or supplement this Agreement in any manner that the Trustee concludes (which conclusion may be based upon an Opinion of Counsel) is not materially adverse to the holders of any Bonds then Outstanding.

Section 1002. Supplemental Agreements of Trust Requiring Consent of Bondholders.

(a) Exclusive of Supplemental Agreements of Trust authorized by Section [1001] and subject to the terms and provisions contained in this Section, the holders of at least a majority in aggregate principal amount of Bonds then Outstanding at the time such consent is given (or, in the event that less than all of the Bonds then Outstanding will be affected by the proposed modification or amendment, the holders of at least a majority in aggregate principal amount of the Bonds so affected and then Outstanding at the time such consent is given) shall have the right from time to time, notwithstanding any other provision of this Agreement, to consent to the execution by the Authority and the Trustee of such other agreement or agreements supplemental hereto as shall be deemed necessary or desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding any of the terms or provisions contained in this Agreement and any Supplemental Trust Agreement; provided, however, that if such proposed modification or amendment will not, by its terms, take effect so long as any Bonds so affected remain Outstanding, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. Notwithstanding the foregoing, no modification or amendment contained in any Supplemental Trust Agreement shall permit any of the following, without the consent of each Bondholder whose rights will be affected thereby: (1) an extension of the maturity of the principal of or the interest on any Bond, (2) a reduction in the principal amount of, or premium, if any, on any Bond or the rate of interest thereon, (3) an extension of time or a reduction in amount of any payment required by any sinking fund that may be applicable to any Bond, (4) a privilege or priority of any Bond or Bonds over any other Bond or Bonds or (5) a reduction in the aggregate principal amount of Bonds required for consent to such Supplemental Agreements of Trust.

(b) If at any time the Authority shall request the Trustee to enter into any such Supplemental Trust Agreement pursuant to subsection (a) above, the Trustee shall cause notice of the proposed execution of such Supplemental Trust Agreement to be sent by registered or certified mail to the registered holder of each Bond at its address as it appears on the registration books. Such notice shall be prepared by the Authority and shall briefly set forth the nature of the proposed Supplemental Trust Agreement and shall state that a copy thereof is on file at the designated corporate trust office of the Trustee for inspection by all Bondholders. If, within 60 days or such longer period as shall be prescribed by the Authority following the giving of such notice, the holders of at least a majority in aggregate principal amount of all Bonds then Outstanding (or, in the event that less than all of the Bonds then Outstanding will be affected by the proposed modification or amendment, the holders of at least a majority in aggregate principal amount of the Bonds so affected and then Outstanding), or in the case of a supplement or amendment pursuant

to any of clauses (1) through (5) of subsection (a) above, the holders of all affected Bonds then Outstanding, shall have consented to and approved the execution thereof as herein provided, no holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation hereof, or in any manner to question the propriety thereof, or to enjoin or restrain the Trustee or the Authority from executing such Supplemental Trust Agreement or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Trust Agreement pursuant to subsection (a), this Agreement shall be and be deemed to be modified and amended in accordance therewith.

(c) In connection with any Authority request of the Trustee to enter into a Supplemental Trust Agreement requiring the consent of Bondholders, the Trustee shall maintain a record book recording the consent of the owner of each Bond. Any subsequent owner of a Bond for which consent has been given by a previous owner shall take ownership of such Bond subject to such consent and shall be bound by such consent.

Section 1003. Amendments to Cooperation Agreements without Consent of Bondholders.

The Authority and the Trustee shall, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Cooperation Agreement as may be required:

(a) By the provisions of the Cooperation Agreement (including Section 8 thereof) or this Agreement;

(b) To cure any ambiguity, formal defect or omission therein;

(c) To correct or supplement any provision therein that may be inconsistent with any other provision therein or to insert such provisions clarifying matters or questions arising under the Cooperation Agreement as are necessary or desirable and are not contrary to or inconsistent with the Cooperation Agreement as theretofore in effect;

(d) To subject to this Agreement additional revenues, properties or collateral;

(e) To provide for the issuance of one or more subsequent Series of Bonds pursuant to Article III, to (1) describe any additional projects to be financed by such additional Series of Bonds and (2) make such other modifications as shall be necessary and convenient for the issuance of such additional Series of Bonds, provided that no such amendment shall materially adversely affect the rights of the holders of the Bonds then Outstanding; and

In connection with any other amendment, change or modification that the Trustee concludes (which conclusion may be based upon an Opinion of Counsel) is not materially adverse to the holders of all Bonds then Outstanding, the Authority and the Trustee shall, without the consent of or notice to the Bondholders, consent to any such amendment, change or modification made in connection with any modification or amendment of, or supplement to, this Agreement pursuant to Sections 1001(c) and 1001(h).

Section 1004. Supplemental Cooperation Agreements Requiring Consent of Bondholders.

Except for amendments, changes or modifications as provided in Section 1003, neither the Authority nor the Trustee shall consent to any amendment, change or modification of the Cooperation Agreement without the written approval or consent of the holders of a majority in aggregate principal amount of Bonds then Outstanding given and procured as provided in Section 1002; provided, however, that if, in the opinion of the Trustee, any agreement supplemental to the Cooperation Agreement modifying, altering, amending, adding to or rescinding any of the terms or provisions thereof shall affect less than all of the Bonds then Outstanding, then only the consent and approval of a majority in aggregate principal amount of the Bonds so affected and then Outstanding at the time of such consent shall be required for such supplemental agreement. If at any time the Authority and the City shall request the consent of the Trustee to any such proposed amendment, change or modification, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by Section 1002 with respect to Supplemental Agreements of Trust. Such notice shall be prepared by the Authority or the City and shall briefly set forth the nature of such proposed amendment, change or modification and shall state that a copy of the instrument embodying the same is on file at the designated corporate trust office of the Trustee for inspection by all Bondholders.

Section 1005. Limitation on Amendments.

No amendment, change or modification may decrease the undertaking of the City pursuant to the Cooperation Agreement to pay amounts sufficient to pay principal of and premium, if any, and interest on the Bonds as the same become due.

Section 1006. Opinion of Counsel Required.

The Trustee shall not enter into a Supplemental Trust Agreement or consent to a Supplemental Cooperation Agreement unless there shall have been filed with the Trustee and the Authority (a) an Opinion of Counsel that such Supplemental Trust Agreement or such Supplemental Cooperation Agreement is authorized or permitted by this Agreement and complies with its terms and that on execution it will be valid and binding on the party or parties executing it in accordance with its terms, which Opinion of Counsel, to the extent appropriate, may rely on the Trustee's determination that such amendment, change or modification is described in Section 1001(h) or 1003(e), as if applicable, and (b) an opinion of Bond Counsel stating that such Supplemental Trust Agreement or Supplemental Cooperation Agreement will not have an adverse effect on the exemption of interest from gross income for federal income tax purposes on the Bonds then Outstanding (the interest on which was exempt from gross income for federal income tax purposes on the date of their issuance).

Section 1007. Consent of the City.

Notwithstanding any other provision of this Agreement, a Supplemental Trust Agreement or a Supplemental Cooperation Agreement that affects any rights of, or imposes any costs on, the City shall not become effective until the City shall have consented to the execution and delivery of such Supplemental Trust Agreement or such Supplemental Cooperation Agreement.

ARTICLE XI

THE TRUSTEE

Section 1101. Acceptance of Trusts and Obligations.

The Trustee hereby accepts the trusts and obligations imposed upon it by this Agreement and agrees to perform such trusts and obligations, but only upon and subject to the following express terms and conditions and no implied covenants or obligations shall be read into this Agreement against the Trustee:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Agreement and as a corporate trustee ordinarily would perform such duties under a trust indenture. Upon the occurrence and continuation of an Event of Default that has not been cured or waived, the Trustee shall exercise such of the rights and powers vested in it by this Agreement and use the same degree of care and skill in their exercise as a prudent person ordinarily would exercise and use under the circumstances in the conduct of their own affairs. The Trustee agrees to undertake such obligations set forth in Section 9.4 of the Cooperation Agreement that specifically require action of the Trustee as if such obligation were fully set forth in this Agreement.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to act upon the opinion or advice of its counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trust hereof. The Trustee may act on an Opinion of Counsel and shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith and in reliance on such Opinion of Counsel.

(c) The Trustee shall not be responsible for any recital herein or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds) or for the recording, re-recording, filing or re-filing of any financing or continuation statement or any other document or instrument, or for the validity of the execution by the Authority of this Agreement or for any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, and the Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Authority or the City under the Cooperation Agreement except as hereinafter set forth. The Trustee shall not be responsible or liable for any loss, fee, tax or other charge suffered or incurred in connection with any investment of moneys made by it in accordance with Section 702 or Section 703.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The bank or trust company acting as Trustee and its directors, officers, employees or agents may in good faith buy, sell, own, hold and deal in the Bonds and may join in

any action which any bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee. To the extent permitted by law, such bank or trust company may also receive tenders and purchase in good faith Bonds from itself, including any department, affiliate or subsidiary, with like effect as if it were not the Trustee.

(e) The Trustee shall be protected in acting on any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Agreement on the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the holder of any Bond shall be conclusive and binding upon all future holders of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely on a certificate signed (1) on behalf of the Authority by its Chair or Vice Chair and attested by its Secretary under its seal, or such other person or persons as may be designated for such purposes by resolution of the Authority, or (2) on behalf of the City, by its Chief Administrative Officer, its Deputy Chief Administrative Officer for Finance and Administration or its Director of Finance or by such other person or persons as may be designated for such purposes by the Chief Administrative Officer or the Council, as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Trustee has been notified as provided in subsection (h) of this Section, or of which by said subsection it is deemed to have notice, may also accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the City Clerk or of the Secretary of the Authority under its seal to the effect that a resolution or ordinance in the form therein set forth has been adopted by the Council or the Authority, as the case may be, as conclusive evidence that such resolution or ordinance has been duly adopted and is in full force and effect.

(g) The permissive right of the Trustee to do things enumerated in this Agreement shall not be construed as a duty, and the Trustee shall not be answerable for other than its gross negligence or willful misconduct.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder or under the Cooperation Agreement, except failure by the Authority or the City to cause to be made any of the payments to the Trustee required to be made by Article VI or failure by the City to cause any payments to be made to the Trustee or failure by the Authority or the City to file with the Trustee any document required by this Agreement to be so filed, unless the Trustee shall be notified of such default by the Authority or the City or by the holders of not less than 25% in aggregate principal amount of Bonds then Outstanding.

(i) The Trustee shall not be required to give any bond or surety with respect to the execution of its rights and obligations hereunder.

(j) Notwithstanding any other provision of this Agreement, the Trustee shall have the right, but shall not be required, to demand, as a condition of any action by the Trustee in respect

of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Agreement, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that required by the terms hereof.

(k) Before taking any action under this Agreement the Trustee may require that indemnity satisfactory to it be furnished to it for the reimbursement of all expenses to which it may be put and to protect it against all liability by reason of any action so taken, except liability which is adjudicated to have resulted from its gross negligence or willful misconduct.

(l) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received but need not be segregated from other moneys except to the extent required by this Agreement or law. The Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

Section 1102. Fees, Charges and Expenses of Trustee.

The Trustee shall be paid its fees and expenses, including fees of its counsel, on the date of issuance of any Series of Bonds in accordance with the fee agreement relating to such Series of Bonds. Absent any other specific agreement as to the payment of the Trustee's fees, charges and expenses, the Trustee shall be entitled to payment of and reimbursement by the City, as provided in the Cooperation Agreement for reasonable fees for its services and all expenses reasonably incurred by it hereunder, including the reasonable fees and disbursements of its counsel; provided that the trust estate shall not be liable for costs or expenses of the Trustee other than reasonable costs and expenses and shall not be liable for "overhead expenses" except as such expenses may be included as a component of the Trustee's stated annual fees. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment on account of principal of or premium, if any, or interest on any Bond upon the trust estate created by this Agreement for the foregoing fees, charges and expenses incurred by the Trustee.

Section 1103. Intervention by Trustee.

In any judicial proceeding to which the City is a party and which in the opinion of the Trustee has a substantial bearing on the interests of the Bondholders, the Trustee may intervene on behalf of Bondholders and, subject to Section 1101(k), shall do so if requested by the holders of not less than 25% in aggregate principal amount of Bonds then Outstanding.

Section 1104. Merger or Consolidation of Trustee.

Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party shall be and become successor Trustee hereunder and vested with all the trusts, powers, discretion, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any

instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 1105. Resignation by Trustee.

The Trustee may at any time resign from the trusts hereby created by giving not less than 30 calendar days' notice to the Authority, the City, and each holder of Bonds then Outstanding. Such resignation shall take effect upon the appointment of a successor or temporary Trustee, in accordance with Section 1107, by the Bondholders, the Authority, the City or a court of competent jurisdiction. If a successor is not appointed by the Bondholders, the Authority or the City within such 30-day period, the Trustee may petition a court of competent jurisdiction for the appointment of a successor Trustee.

Section 1106. Removal of Trustee.

The Trustee may be removed at any time (a) by an instrument or concurrent instruments in writing delivered to the Trustee and the Authority and signed by the holders of a majority in aggregate principal amount of Bonds then Outstanding or (b) by the City by notice in writing given by an Authorized City Representative to the Trustee not less than 60 calendar days before the removal date; provided, however, that the City shall have no right to remove the Trustee during any time when an Event of Default has occurred or is continuing or when an event has occurred and is continuing or condition exists that with the giving of notice or the passage of time, or both, would be an Event of Default. The removed Trustee shall return to the City the amount of the Trustee's annual fee allocable to the portion of the current year remaining after the removal date. Notwithstanding the foregoing, nothing contained in this Agreement shall relieve the Authority of its obligation to pay the Trustee's fees and expenses incurred to the date of such removal. Such removal shall take effect upon the appointment of a successor Trustee or the earlier appointment of a temporary Trustee by the Bondholders, the City or a court of competent jurisdiction.

Section 1107. Appointment of Successor Trustee by Bondholders; Temporary Trustee.

In case the Trustee hereunder shall resign, be removed, be dissolved, be in course of dissolution or liquidation or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such holders; provided, however, that, in case of such vacancy, the City, by an instrument signed by an Authorized City Representative, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Bondholders in the manner provided above; and any such temporary Trustee so appointed by the City shall immediately and without further act be superseded by the Trustee so appointed by such Bondholders. Every such Trustee appointed pursuant to this Section shall be, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms, (a) a bank or trust company in the Commonwealth of Virginia, in good standing and having a combined capital, surplus and undivided profits of not less than \$100,000,000 or (b) a subsidiary trust company under the provisions of Section 6.2-1048 of Virginia Code or any successor provision of law, and whose capital, surplus and undivided profits, together with that of its parent bank or bank holding company, as the case may be, is not

less than \$100,000,000, if such a bank, trust company or subsidiary trust company, willing and able to accept the trust on reasonable or customary terms can, with reasonable effort, be located.

Section 1108. Concerning any Successor Trustee.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed of conveyance, shall become fully vested with all the properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the request of the Authority and upon payment of amounts due it hereunder, execute and deliver an instrument transferring to such successor Trustee all the properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Authority be required by any successor Trustee for more fully and certainly vesting in such successor the properties, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority.

Section 1109. Trustee Protected in Relying on Agreements, Etc.

The resolutions, opinions, certificates and other instruments provided for in this Agreement may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for the release of property and the withdrawal of cash hereunder or the taking of any other action by the Trustee as provided hereunder.

Section 1110. Successor Trustee as Paying Agent, Registrar and Custodian of Funds.

In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or been removed shall cease to be paying agent and registrar for the Bonds and custodian of the funds created hereunder, and the successor Trustee shall become such paying agent and custodian.

ARTICLE XII

DISCHARGE OF AGREEMENT

Section 1201. Discharge of Liens and Pledges; Bonds No Longer Deemed to Be Outstanding Hereunder.

(a) The obligations of the Authority under this Agreement and the liens, pledges, charges, trusts, covenants and agreements of the Authority herein made or provided for, shall be fully discharged and satisfied as to any Bond and such Bond shall no longer be deemed to be Outstanding hereunder:

(1) when such Bond shall have been cancelled, or shall have been surrendered for cancellation and is subject to cancellation; or shall have been purchased by the Authority from moneys in the Bond Fund or an escrow account held by the Trustee or another escrow agent;

(2) as to any Bond not cancelled or so surrendered for cancellation and subject to cancellation, or so purchased, when (A) payment of the principal of and the applicable premium on such Bond, if any, plus accrued interest on such principal to the date fixed for payment thereof (whether such due date be by reason of maturity or upon redemption or prepayment or otherwise) (i) shall have been made or caused to be made in accordance with the terms thereof or (ii) shall have been provided by irrevocably depositing with the Trustee (or another escrow agent) to be held in trust and irrevocably appropriating and setting aside exclusively for such payment (x) moneys sufficient to make such payment, (y) noncallable Government Obligations maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment or (z) a combination of both such moneys and noncallable Government Obligations, and (B) payment of all necessary and proper fees, costs, and expenses of the Trustee satisfactory to the Trustee shall have been made in connection with the Bonds and the administration of this Agreement. For purposes of this Section, Government Obligations shall not include securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, as amended.

(b) Notwithstanding the foregoing, in the case of a Bond that by its terms may be redeemed or otherwise prepaid prior to the stated maturity thereof and that the Authority elects to redeem or prepay, no deposit under clause (2)(A)(ii) of subsection (a) above shall constitute such payment, discharge and satisfaction as aforesaid until such Bond shall have been irrevocably called or designated for redemption or prepayment and proper notice of such redemption or prepayment shall have been previously mailed in accordance with Section 402 of this Agreement, or irrevocable provision shall have been made for the giving of such notice; provided that nothing in this Article shall require or be deemed to require the Authority to elect to redeem or prepay any such Bond.

(c) In the event the City, on behalf of the Authority, elects to redeem or prepay any such Bond, nothing in this Article shall require or be deemed to require the redemption or prepayment as of any particular date or dates.

(d) Notwithstanding any provision of any other Article of this Agreement that may be contrary to the provisions of this Article, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of Bonds (including interest and premium, if any, thereon) shall be applied to and used solely for the payment of the particular Bonds (including interest and premium, if any, thereon) with respect to which such moneys and Government Obligations have been so set aside in trust.

(e) In the event that all of the Bonds secured by this Agreement are paid or deemed paid in accordance with the terms of this Agreement, then the right and interest of the Trustee in and to the trust estate created by this Agreement and all covenants, agreements and other obligations of the Authority and the City to the registered holders of the Bonds will cease and be discharged and satisfied. In the event any Bonds are paid or deemed paid in accordance with the terms of this Agreement, then such Bonds will cease to be entitled to any lien, benefit or security under this Agreement (other than the right to receive payment and certain rights regarding

registration and transfer) and all covenants, agreements and other obligations of the Authority or the City to the registered holders of such Bonds will cease and be discharged and satisfied.

ARTICLE XIII

MISCELLANEOUS

Section 1301. Consents, etc., of Bondholders.

Any Consent may be in any number of concurrent writings of similar tenor and may be executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of a Consent or of the writing appointing any such agent shall be sufficient for any of the purposes of this Agreement and shall be conclusive in favor of the Authority with regard to any action taken under the Consent if the fact and date of the execution by any person of any such writing is proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

Section 1302. Limitation of Rights.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Agreement or the Bonds is intended or shall be construed to give to any person other than the parties hereto and the holders of the Bonds any legal or equitable right, remedy or claim under or in respect to this Agreement or any covenants, conditions and agreements herein contained since this Agreement and all of the covenants, conditions and agreements hereof are intended to be and is for the sole and exclusive benefit of the parties hereto and the holders of the Bonds as herein provided.

Section 1303. Limitation of Liability of Authority, Etc.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Authority or officer, director, employee, agent or advisor of the Authority in their individual capacity, and neither the members of the Authority nor any officer or director of the Authority executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Authority or officer, director, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by them pursuant to this Agreement or the IDA Act, provided such director, officer, employee, agent or advisor acts in good faith. The Authority shall not be liable under any circumstances for the actions or omissions of the City under the Cooperation Agreement.

Section 1304. Severability.

If any provision of this Agreement shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof and this Agreement shall be construed and enforced as if such illegal provision had not been contained herein.

Section 1305. Notices.

Unless otherwise provided herein, all demands, notices, approvals, consents, requests, opinions and other communications hereunder shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class registered or certified mail, postage prepaid, addressed (a) if to the Authority, at 1500 East Main Street, Suite 400, Richmond, Virginia 23219 (Attention: Chair), with a copy to Matthew Welch, Senior Policy Advisor, 900 East Broad Street, 16th Floor, Richmond, Virginia 23219, and to City Attorney, City of Richmond, Virginia, 900 East Broad Street, Suite 400, Richmond, Virginia 23219; (b) if to the City, Chief Administrative Officer, City of Richmond, Virginia, 900 East Broad Street, Suite 400, Richmond, Virginia 23219, with a copy to City Attorney, City of Richmond, Virginia, 900 East Broad Street, Suite 400, Richmond, Virginia 23219; or (c) if to the Trustee, at Three James Center, 1051 East Cary Street, Suite 600, Richmond, Virginia 23219 (Attention: []). The City, the Authority, and the Trustee may also provide notice or direction under this Agreement and the Cooperation Agreement by unsecured e-mail, facsimile transmission, portable data format (.pdf), or other similar unsecured electronic means, provided that the Trustee shall have received an incumbency or other certification from the City and/or the Authority listing the persons entitled to provide any such notice or direction. If the City or the Authority elects to give the Trustee direction by e-mail or facsimile, and the Trustee in its discretion elects to act upon such direction, the Trustee's understanding of such direction shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such direction, notwithstanding that such direction conflicts or is inconsistent with a subsequent direction. The Authority, the City and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or persons to whose attention the same shall be directed.

Section 1306. Successors and Assigns.

This Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 1307. Applicable Law.

This Agreement shall be governed by and construed and enforced in accordance with the applicable laws of the Commonwealth, without regard to its conflict of law principles.

Section 1308. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Section 1309. Patriot and U.S.A. Freedom Act Requirements of Trustee.

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee may request documentation to verify such non-individual

person's formation and existence as a legal entity. The Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

IN WITNESS WHEREOF, the Authority and the Trustee have caused this Agreement to be executed in their respective corporate names as of the date first above written.

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

By _____
[____],
Chair

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**

By _____
[____],
Vice President

Acknowledged and Consented To:

CITY OF RICHMOND, VIRGINIA

By _____
[____],
[_____]

FORM OF REQUISITION

[Date]

U.S. Bank Trust Company, National Association
Three James Center
1051 East Cary Street, Suite 600
Richmond, VA 23219

Ladies and Gentlemen:

On behalf of the [Economic Development Authority of the City of Richmond, Virginia/City of Richmond, Virginia (the “City”), the undersigned Authorized [Authority/City] Representative hereby requisitions from the [_____ Account] in the Project Fund created by an Agreement of Trust dated as of [_____ 1, 2024], as supplemented by a First Supplemental Agreement of Trust dated as of [_____ 1, 2024] (collectively, the “Trust Agreement”), each between the Economic Development Authority of the City of Richmond, Virginia, and you, as Trustee, the sum of \$_____ to

in connection with expenses incurred for services rendered as _____.

All capitalized terms used but not defined herein have the same meanings as defined in the Trust Agreement.

Authorized [Authority/City] Representative

This Preliminary Official Statement and the information contained herein are subject to change, completion and amendment without notice. The Series [20__] Bonds may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series [20__] Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2024

NEW ISSUE
BOOK-ENTRY ONLY

Ratings: Moody's: []
Standard & Poor's: []
Fitch: []
(See "Ratings")

In the opinion of Bond Counsel, under current law and subject to conditions described in the section "TAX MATTERS," (1) interest on the Series [20__] Bonds (a) is not included in gross income for federal income tax purposes, (b) is not an item of tax preference for purposes of the federal alternative minimum tax, and (c) is taken into account in determining adjusted financial statement income for applicable corporations (as defined in Section 59(k) of the Code) for the alternative minimum tax imposed on such corporations; and (2) interest on the Series [20__] Bonds is exempt from income taxation by the Commonwealth of Virginia. A holder may be subject to other federal tax consequences as described in the section "TAX MATTERS."

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

\$ _____ *
Revenue Bonds,
Series [20__] (Diamond District Project)

Dated: Date of Issuance Due: _____, as shown on the inside cover

This Official Statement has been prepared by the City of Richmond, Virginia (the "City"), on behalf of the Economic Development Authority of the City of Richmond, Virginia (the "Authority"), to provide information on its \$ _____* Revenue Bonds, Series [20__] (Diamond District Project) (the "Series [20__] Bonds"), the security therefor, the City, the use of the proceeds of the Series [20__] Bonds and other relevant information. Selected information is presented on this cover page for the convenience of the user. To make an informed decision regarding the Series [20__] Bonds, a prospective investor should read this Official Statement in its entirety.

Security THE SERIES [20__] BONDS WILL BE LIMITED OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM CERTAIN PAYMENTS TO BE MADE BY THE CITY PURSUANT TO A COOPERATION AGREEMENT DATED AS OF _____, 2024, (THE "COOPERATION AGREEMENT"), BETWEEN THE CITY AND THE AUTHORITY, AND FROM CERTAIN FUNDS AND THE INVESTMENT INCOME THEREFROM HELD BY THE TRUSTEE. THE UNDERTAKING BY THE CITY TO MAKE PAYMENTS UNDER THE COOPERATION AGREEMENT WILL BE SUBJECT TO APPROPRIATIONS BY THE CITY COUNCIL FROM TIME TO TIME OF SUFFICIENT AMOUNTS FOR SUCH PURPOSE. NEITHER THE SERIES [20__] BONDS NOR THE COOPERATION AGREEMENT CONSTITUTES A DEBT OF THE CITY OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE CITY. THE SERIES [20__] BONDS AND THE PREMIUM, IF ANY, AND INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE CITY. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE AUTHORITY AND THE CITY, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE SERIES [20__] BONDS OR OTHER COSTS INCIDENT TO THEM EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED FOR SUCH PURPOSE. THE AUTHORITY HAS NO TAXING POWER.

Issued Pursuant To The Series [20__] Bonds will be issued pursuant to an Agreement of Trust dated as of _____, 2024, , between the Authority and U.S. Bank Trust Company, National Association, as Trustee.

Trustee U.S. Bank Trust Company, National Association

Purpose The proceeds of the Series [20__] Bonds will be used, together with other available funds, to (a) finance a portion of the [20__] Project (as defined herein) and (b) pay the related costs of issuance.

Interest Payment Dates _____ and _____, commencing _____, 20__.

Regular Record Dates _____ and _____.

Redemption The Series [20__] Bonds are subject to redemption as set forth herein.

Denominations \$5,000 and integral multiples thereof.

Closing/Delivery Date On or about _____, 2024.

Registration Full book-entry only; The Depository Trust Company, New York, New York

Bond Counsel Hunton Andrews Kurth LLP, Richmond, Virginia

City Attorney Laura K. Drewry, Esquire, City Attorney

Authority Counsel [Bonnie M. Ashley, Esquire, Deputy City Attorney]

Dated: _____, 2024

* Preliminary, subject to change.

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

\$ _____^{*}
REVENUE BONDS
SERIES [20__] (DIAMOND DISTRICT PROJECT)

Maturity* (_____)	Principal Amount*	Interest Rate	Yield	CUSIP**
------------------------------------	------------------------------	--------------------------	--------------	----------------

^{*} Preliminary, subject to change.

^{**} Copyright 2013, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by Standard & Poor's CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. The CUSIP numbers listed above are being provided solely for the convenience of bondholders only at the time of issuance of the Series [20__] Bonds, and the City makes no representation with respect to such numbers nor undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series [20__] Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series [20__] Bonds.

The Series [20__] Bonds will be exempt from registration under the Securities Act of 1933, as amended. As obligations of a political subdivision of the Commonwealth of Virginia, the Series [20__] Bonds will also be exempt from registration under the securities laws of Virginia.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representation should not be relied upon as having been authorized by the Authority or the City. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor will there be any sale of the Series [20__] Bonds by any person in any state in which it is unlawful for such person to make such offer, solicitation or sale.

All quotations from and summaries and explanations of provisions of law and documents herein do not purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions. Any statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinion and not as representations of fact. This Official Statement speaks as of its date except where specifically noted otherwise and is subject to change without notice. Neither the delivery of this Official Statement, any sale made hereunder, nor any filing of this Official Statement shall under any circumstances create an implication that there has been no change in the affairs of the City or the Authority since the date of this Official Statement or imply that any information herein is accurate or complete as of any later date.

The Trustee has neither reviewed nor participated in the preparation of this Official Statement.

This Official Statement contains statements that, to the extent they are not recitations of historical fact, constitute “forward-looking statements.” In this respect, the words, “estimate”, “project”, “anticipate”, “expect”, “intend”, “believe” and similar expressions are intended to identify forward-looking statements. A number of important factors affecting the City’s operations and financial results could cause actual results to differ materially from those stated in the forward-looking statements.

Certain persons participating in this offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Series [20__] Bonds, including transactions to (a) overalloc in arranging the sales of the Series [20__] Bonds and (b) make purchases and sales of the Series [20__] Bonds, for long or short account, on a when-issued basis or otherwise, at such prices, in such amounts and in such manner as the underwriter may determine.

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OFFICIAL STATEMENT

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

\$ _____^{*}
Revenue Bonds
Series [20__] (Diamond District Project)

SECTION ONE: INTRODUCTION

The purpose of this Official Statement, which includes the cover page and appendices hereto, is to provide information in connection with the issuance by the Economic Development Authority of the City of Richmond, Virginia (the “Authority”), a political subdivision of the Commonwealth of Virginia (the “Commonwealth”), of its \$ _____^{*} Revenue Bonds, Series [20__] (Diamond District Project) (the “Series [20__] Bonds”). The following introductory material is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement, reference to which is hereby made for all purposes. Certain capitalized terms used in this Official Statement are defined in Appendix A - “Definitions of Certain Terms.”

The Series [20__] Bonds will be offered for sale through competitive bidding on _____, 2024. The Notice of Sale relating to the Series [20__] Bonds and describing the competitive bidding process therefor is attached hereto as Appendix H.

The Issuer

The issuer of the Series [20__] Bonds is the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia.

The Series [20__] Bonds

The City plans to use the proceeds of the Series [20__] Bonds, together with other available funds, to (a) finance the Series [20__] Project (as defined herein), and (b) pay the related costs of issuance.

The Series [20__] Bonds will be issued in accordance with the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), and pursuant to an Agreement of Trust dated as of _____, 2024 (the “Trust Agreement”), between the Authority and U.S. Bank Trust Company, National Association (the “Trustee”). Pursuant to the terms of the Trust Agreement, the Authority has determined to issue from time to time revenue bonds or notes and use the proceeds thereof to finance and refinance certain “authority facilities” (as defined in the Act) [_____].

The Authority and the City of Richmond, Virginia (the “City”), have entered into a Cooperation Agreement dated as of _____, 2024 (the “Cooperation Agreement”), pursuant to which the City has requested the Authority to finance or refinance projects from time to time with the proceeds of Series [20__] Bonds issued under the Trust Agreement, and the City has agreed, subject to appropriation by the City Council of the City (the “City Council”), to support such request by paying to or on behalf of the Authority amounts sufficient to pay the principal of and interest due on the Series [20__] Bonds (the “Debt Service Payments”) and certain other amounts due under the Cooperation Agreement.

The Series [20__] Bonds and the premium, if any, and interest thereon will be limited obligations of the Authority payable solely from the revenues and receipts derived by the Authority under the Cooperation Agreement, which revenues and receipts have been pledged and assigned to secure payment thereof, and from certain funds established under the Trust Agreement. The Series [20__] Bonds and the premium, if any, and interest thereon shall not be deemed to constitute a debt or a pledge of the faith and credit of the Commonwealth or any political subdivision thereof, including the Authority and the City. Neither the Commonwealth nor any political subdivision thereof, including the Authority and the City, shall be obligated to pay the principal of or premium, if any, or interest on the Series [20__] Bonds or other costs incident thereto except from the revenues

^{*} Preliminary, subject to change.

and receipts pledged and assigned therefor, and neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof, including the Authority and the City, is pledged to the payment of the principal of or premium, if any, or interest on the Series [20__] Bonds or other costs incident thereto.

More complete descriptions of the Trust Agreement and the Cooperation Agreement are provided in Appendix B - "Summary of the Financing Documents."

Redemption*

Optional Redemption. The Series [20__] Bonds maturing prior to ____, 20__, will not be subject to optional redemption. The Series [20__] Bonds maturing on and after ____, 20__, will be subject to redemption prior to maturity, at the option of the Authority, at the direction of the City, at any time on or after ____, 20__, in whole or in part (in integral multiples of \$5,000), upon payment of 100% of the principal amount to be redeemed, plus interest accrued to the date fixed for redemption.

A more complete description of the optional redemption features is provided in the subsection "Redemption" in Section Two.

Mandatory Sinking Fund Redemption. The final Official Statement will contain the provisions for any Series [20__] Bonds subject to mandatory sinking fund redemption.

Delivery

The Series [20__] Bonds are offered for delivery when, as and if issued, subject to the approval of validity by Hunton Andrews Kurth LLP, Richmond, Virginia, Bond Counsel, and to certain other exceptions referred to herein. Certain legal matters will be passed upon for the City by the City Attorney, [____], Esquire, and for the Authority by its counsel, [____], Richmond, Virginia.

Ratings

The Series [20__] Bonds have been rated as shown on the cover page hereto by Fitch Ratings, One State Street Plaza, New York, New York 10004, Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, and S&P Global Ratings, 55 Water Street, New York, New York 10041. A more complete description of each rating is provided in the section "RATINGS" in Section Three.

Financial Advisor

Davenport & Company LLC, Richmond, Virginia, is employed as Financial Advisor to the City in connection with the issuance of the Series [20__] Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Series [20__] Bonds is contingent upon the issuance and delivery of the Series [20__] Bonds.

Continuing Disclosure

For purposes of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission ("SEC"), the City is an obligated person with respect to the Series [20__] Bonds. The City has agreed to execute a Continuing Disclosure Agreement at closing to assist the underwriter in complying with the provisions of the Rule as in effect on the date hereof, by providing annual financial information and certain event notices required by the Rule. See "*CONTINUING DISCLOSURE*" in Section Three.

* Preliminary subject to change.

Additional Information

Any questions concerning the content of this Official Statement should be directed to Sheila White, Director of Finance, City of Richmond, 900 E. Broad Street, Richmond, Virginia 23219 (804-646-7000), or the City's Financial Advisor, Davenport & Company LLC (804-697-2900).

SECTION TWO: THE SERIES [20__] BONDS

THE AUTHORITY

The Authority is a political subdivision of the Commonwealth of Virginia created pursuant to the Act. The Act empowers the Authority to acquire, construct, lease, remodel, renovate and equip any public building or other facility used for public purposes, to undertake economic development initiatives, and to finance or refinance the costs of such facilities and initiatives. The City Council has requested the Authority to undertake the Series [20__] Project.

The Authority is not obligated to pay the principal of or premium, if any, or interest on the Series [20__] Bonds or other costs incident thereto except from amounts received therefor under the Cooperation Agreement. ***The Authority has no taxing power.***

THE SERIES [20__] BONDS

General

The Series [20__] Bonds will be dated the date of issuance, will bear interest from their date, payable semiannually on each _____ and _____, beginning _____, 2024, at the rates, and will mature on _____ in the years and amounts as set forth on the inside cover of this Official Statement. If such interest payment date is not a Business Day, such payment will be made on the next succeeding Business Day with the same effect as if made on the interest payment date and no additional interest will accrue. Interest on the Series [20__] Bonds will be payable by check or draft mailed to the registered owner at his address as it appears on the registration books kept by the Trustee as of the _____ and _____ preceding each respective payment date.

The Series [20__] Bonds will be issued as fully registered bonds, in denominations of \$5,000 or integral multiples thereof, initially in book-entry form only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Individual purchases of beneficial ownership in the Series [20__] Bonds will be made in principal amounts of \$5,000 and multiples of \$5,000. Individual purchasers of beneficial ownership in the Series [20__] Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates. So long as the Series [20__] Bonds are in book-entry form, transfer of the Series [20__] Bonds and payment of principal of and premium, if any, and interest on the Series [20__] Bonds will be effected as described below in Appendix G - "Book-Entry Only System." If the book-entry system is discontinued, bond certificates will be delivered as described in the Trust Agreement, and Beneficial Owners will become registered owners of the Series [20__] Bonds. Registered owners of the Series [20__] Bonds, whether Cede & Co. or, if the book-entry system is discontinued, the Beneficial Owners, will be defined in this Official Statement as the "Bondholders." **So long as Cede & Co. is the sole Bondholder, as nominee for DTC, reference in this Official Statement to Bondholders means Cede & Co. and does not mean the Beneficial Owners.** See Appendix G - "Book-Entry Only System."

The Series [20__] Bonds will be limited obligations of the Authority as described more fully in the section "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES [20__] Bonds."

Redemption*

Optional Redemption. The Series [20__] Bonds maturing prior to _____, 20__, will not be subject to optional redemption. The Series [20__] Bonds maturing on and after _____, 20__, will be subject to redemption prior to maturity, at the option of the Authority upon the direction of the City, at any time on or after _____, 20__,

* Preliminary, subject to change.

in whole or in part (in integral multiples of \$5,000), upon payment of 100% of the principal amount to be redeemed, plus interest accrued to the date fixed for redemption.

Mandatory Sinking Fund Redemption. The final Official Statement will contain the provisions for any Series [20__] Bonds subject to mandatory sinking fund redemption.

Notice of Redemption

Notice of redemption will be given by the Trustee by facsimile transmission or other electronic means, registered or certified mail, overnight express delivery or such other means acceptable to the Bondholders not less than 30 nor more than 60 days before the date fixed for redemption to DTC, or, if DTC is no longer serving as securities depository for the Series [20__] Bonds, to the substitute securities depository, or, if none, to the respective registered owner of each Series [20__] Bond to be redeemed at the address shown on the registration books maintained by the Trustee. This notice of redemption will also be given to certain securities depositories and certain national information services which disseminate redemption notices. During the period that DTC or its nominee is the registered owner of the Series [20__] Bonds, the Trustee will not be responsible for mailing notices of redemption to the Beneficial Owners.

In the case of an optional redemption, the notice of redemption may state that (1) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the date fixed for redemption or (2) the Authority, as directed by the City, retains the right to rescind such notice of redemption on or prior to the date fixed for redemption (in either case, a “Conditional Redemption”), and such notice of redemption and optional redemption will be of no effect if such moneys are not so deposited or if the notice of redemption is rescinded as described herein. Any Conditional Redemption pursuant to clause (2) above may be rescinded at any time prior to the date fixed for redemption if the Authority delivers a written direction to the Trustee directing the Trustee to rescind the notice of redemption, and any funds deposited with the Trustee in connection with such rescinded redemption will be returned to the City. The Trustee will give prompt notice of such rescission to the affected Bondholders. Any Series [20__] Bonds subject to Conditional Redemption where redemption has been rescinded will remain outstanding, and the rescission will not constitute an Event of Default. Further, in the case of a Conditional Redemption, the failure of the Authority to make funds available on or before the date fixed for redemption will not constitute an Event of Default, and the Trustee will give prompt notice to all organizations registered with the SEC as securities depositories or the affected Bondholders that the redemption did not occur and that the Series [20__] Bonds called for redemption and not so paid remain outstanding.

Manner of Redemption

[If less than all of the Series [20__] Bonds of a particular Series are called for optional redemption, the maturities of such Bonds (or portions thereof) to be redeemed shall be selected by the City. If less than all of a maturity of Series [20__] Bonds of a particular Series are called for redemption, the specific maturities of such Series [20__] Bonds to be redeemed shall be selected by the Securities Depository or any successor securities depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Trustee by lot in such manner as the Trustee in its discretion may determine. The portion of any Series [20__] Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof. In selecting Series [20__] Bonds for redemption, each Series [20__] Bond shall be considered as representing that number of Series [20__] Bonds that is obtained by dividing the principal amount of such Series [20__] Bond by \$5,000. If a portion of a Series [20__] Bond shall be called for redemption, a new Series [20__] Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.]

Effect of Redemption

On the date on which any Series [20__] Bonds have been called for redemption and sufficient funds for their payment on such date are held by the Trustee, interest on such Series [20__] Bonds will cease to accrue and their registered owners will be entitled to receive payment only from the Trustee from funds available for that purpose.

Plan of Financing of the Series [20__] Project

The Authority expects to use a portion of the Series [20__] Bond proceeds to [_____].

Estimated Sources and Uses of Funds

The proceeds received from the sale of the Series [20__] Bonds are expected to be applied as follows:

	<u>Series [20__] Bonds</u>
Estimated Sources of Funds	
Par Amount of Bonds	
[Net] Original Issue [Premium/Discount]	_____
Total Sources	=====
Estimated Uses of Funds	
Deposit to Applicable Series Project Account	
Costs of Issuance (including underwriting compensation)	_____
Total Uses	=====

Estimated Debt Service Requirements

The following table shows for each bond year, which is any 12-month period ending on _____, amounts required for payment of principal (either at maturity or upon mandatory sinking fund redemption) of and interest on the Series [20__] Bonds.

<u>Series [20__] Bonds</u>				
<u>Bond Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Debt Service</u>

Note: Indicates gross debt service requirements. Actual debt service payments may be less depending on earnings received on the investment of moneys on deposit in other funds under the Trust Agreement and transferred to the Bond Fund.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES [20__] BONDS

The following is a summary of the sources of security and sources of payment for the Series [20__] Bonds. The references to the Series [20__] Bonds, the Cooperation Agreement and the Project Fund are qualified in their entirety by reference to such documents and the provisions relating to the Project Fund contained in the Trust Agreement.

Security for the Series [20__] Bonds

The Series [20__] Bonds will be equally and ratably secured by (1) Debt Service Payments, which will be assigned by the Authority to the Trustee and will be applied to the payment of principal of, premium, if any, and interest on the Bonds (currently consisting of the Series [20__] Bonds) as set forth in the Trust Agreement, without preference, priority or distinction of any Bond over any other Bond, and (2) certain funds established under the Trust Agreement and the investment income therefrom. The Series [20__] Bonds are equally and ratably secured under the Trust Agreement with any Additional Bonds that may hereafter be issued under the Trust Agreement; provided that any lease agreement or financing lease relating to a particular Series of Bonds will secure only such Bonds (unless otherwise provided in a Supplemental Trust Agreement), moneys in any account or subaccount of the Bond Fund relating to a particular Series of Bonds will secure only such Bonds, moneys in any account or subaccount of the Project Fund relating to a particular Series of Bonds will secure only such Bonds, and moneys in any account or subaccount of the Debt Service Reserve Fund relating to a particular Series of Bonds will secure only such Bonds (and may also secure any Additional Bonds issued to refund prior Bonds).

The Series [20__] Bonds and the premium, if any, and interest thereon will be limited obligations of the Authority payable solely from the revenues and receipts derived by the Authority under the Cooperation Agreement, which revenues and receipts have been pledged and assigned to secure payment thereof, and from certain funds established under the Trust Agreement and the investment income therefrom. The undertaking by the City to make payments under the Cooperation Agreement is subject to appropriation from time to time by the City Council. The City Council has no legal obligation to make any such appropriations. See “BONDHOLDERS’ RISKS” in Section Three.

The Series [20__] Bonds and the premium, if any, and interest thereon will not be deemed to constitute a debt or a pledge of the faith and credit of the Commonwealth or any political subdivision thereof, including the Authority and the City. Neither the Commonwealth nor any political subdivision thereof, including the Authority and the City, will be obligated to pay the principal of or premium, if any, or interest on the Series [20__] Bonds or other costs incident thereto except from the revenues and receipts pledged and assigned therefor, and neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof, including the Authority and the City, is pledged to the payment of the principal of or premium, if any, or interest on the Series [20__] Bonds or other costs incident thereto. The Authority has no taxing power.

Cooperation Agreement

The Authority is issuing the Series [20__] Bonds for the purpose of providing funds to finance the costs of the Series [20__] Project and to pay the costs of issuance of the Series [20__] Bonds. The Cooperation Agreement provides for the City to make payments on behalf of the Authority that will be sufficient to pay the principal of and premium, if any, and interest on the Bonds (currently consisting of the Series [20__] Bonds) as the same shall become due in accordance with their terms and provisions and the terms of the Trust Agreement. The undertaking by the City to make payments under the Cooperation Agreement will constitute a current expense of the City, subject to appropriation by the City Council from time to time of sufficient funds for such purpose. The City will not be liable for any such payments due under the Cooperation Agreement unless and until funds have been appropriated by the City Council for payment and then only to the extent of such appropriation.

The Cooperation Agreement provides for the City to pay to the Trustee, as assignee of the Authority, Debt Service Payments in amounts calculated to be sufficient to pay principal of and interest when due on the Series [20__] Bonds and any Additional Bonds issued under the Trust Agreement. Debt Service Payments will be due on or before each ____ and ____ prior to the respective principal or interest payment date on the Series [20__] Bonds and

any Additional Bonds. The Cooperation Agreement also provides for the City to pay certain Bond Cost Payments, including any redemption premium that may be payable on the Series [20__] Bonds and any additional Bonds.

Other provisions of the Cooperation Agreement are summarized in Appendix B - “Summary of the Financing Documents.”

The undertaking by the City to make payments under the Cooperation Agreement constitutes neither a debt of the City within the meaning of any constitutional or statutory limitation nor a liability of or a lien or charge upon funds or property of the City beyond any Fiscal Year for which the City Council has appropriated moneys to make such payments. Neither the Trustee nor the Authority shall have any obligation or liability to the holders of the Series [20__] Bonds with respect to the City’s undertaking to make payments under the Cooperation Agreement or with respect to the performance by the City of any other covenant contained therein.

No Series Debt Service Reserve Account Established for the Series [20__] Bonds

No Series Debt Service Reserve Account will be established for the Series [20__] Bonds. No monies on deposit in the Debt Service Reserve Fund, which has been established but is not currently funded, will secure the Series [20__] Bonds.

Bond Fund

Under the Trust Agreement, the Authority pledges to the Trustee all right, title and interest to the Cooperation Agreement, including the Debt Service Payments and certain Bond Cost Payments made by the City, but excluding certain rights to receive payment of the Authority’s fees and expenses and to receive notices thereunder. Such payments under the Cooperation Agreement, along with funds on deposit in the Bond Fund, are pledged to the payment of principal of and premium, if any, and interest on the Bonds.

The Trust Agreement provides that the Trustee will deposit in the Bond Fund all Debt Service Payments received by the Trustee from the City under the Cooperation Agreement, together with any amounts transferred from the Series [20__] Project Account. From the amounts received by the Trustee from the City, the Trustee will deposit in the subaccount of the Interest Account an amount equal to the interest due and payable on the next interest payment date for the Series [20__] Bonds and will deposit in the subaccount established for the Series [20__] Bonds in the Principal Account an amount equal to the principal due and payable on the next principal payment date for the Series [20__] Bonds. If a redemption premium is payable on the Series [20__] Bonds, the Trustee will deposit in the subaccount of the Premium Account of the Bond Fund that portion of a Bond Cost Payment representing the amount of the redemption premium due. *For additional information concerning the Bond Fund, see Appendix B - “Summary of the Financing Documents – THE TRUST AGREEMENT.”*

Project Fund

The Trust Agreement establishes within the Project Fund a Series [20__] Project Account (the “Series [20__] Project Account”) into which the Trustee will deposit portions of the proceeds of the Series [20__] Bonds. The Trustee will use money in the Series [20__] Project Account solely (a) to finance the Series [20__] Project and (b) to pay costs of issuing the Series [20__] Bonds. The Trustee will make payments from the Series [20__] Project Accounts upon receipt of requisitions signed on behalf of the City providing required information with respect to the use of the amounts being requisitioned. *For additional information concerning the Project Fund, see Appendix B - “Summary of the Financing Documents – THE TRUST AGREEMENT.”*

Additional Bonds

The Authority may issue from time to time additional Bonds secured on an equal and ratable basis with the Series [20__] Bonds (a) to finance or refinance the Cost of a Project, (b) to refund any Bonds previously issued or (c) for a combination of such purposes. Any such additional Bonds will be issued under a Supplemental Trust Agreement [and an amendment to the Cooperation Agreement providing for _____].

SECTION THREE: MISCELLANEOUS

THE CITY

The City is a municipal corporation of the Commonwealth of Virginia (the “Commonwealth” or “Virginia”) and is the capital of the Commonwealth. As a full service independent city, Richmond is autonomous of any county or other political subdivision. Its citizens are not subject to taxation by any county or independent school district for any purpose. The City occupies 62.5 square miles and serves a population of 229,247 as of the U.S. Census Bureau 2022 population estimate. The City is governed by a Mayor (the “Mayor”) and a City Council. The Mayor is elected every four years by a majority vote of voters in at least five of the City’s nine council districts. The Mayor is the chief executive officer of the City with responsibilities that include recommending the annual budget to the Council, selecting a Chief Administrative Officer with the advice and consent of the Council, issuing regulations as necessary to implement the duties and powers of the Mayor and making recommendations on revenue and funding transfer matters. The City Charter (the “Charter”) grants the Mayor the power to veto any ordinance or any item in any City budget ordinance, which veto may be overridden only by an affirmative vote of six or more Council members.

The Council establishes the policies for the administration of the City. The Council is comprised of nine members, each elected in a single district. Council members are elected for a four-year term and their current terms expire on December 31, 2024. The Council elects a President of the Council, who serves a two-year term and presides at meetings of the Council. If a vacancy occurs in the office of the Mayor, the President of the Council becomes acting Mayor until residents of the City elect a successor to fill the remainder of the Mayor’s term.

The Chief Administrative Officer reports to and serves at the pleasure of the Mayor, with the approval of the Council, and is responsible for the day-to-day operations of the City. The Chief Administrative Officer has the power of appointment and removal of the heads of the administrative departments of the City.

Appendix C contains additional financial and demographic information concerning the City. The City’s audited financial statements for the Fiscal Year ended June 30, 2023, are contained in Appendix D. The City’s outside auditor has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report or the financial information contained in this Official Statement.

BONDHOLDERS’ RISKS

The purchase of the Series [20__] Bonds involves a degree of risk; therefore, prospective purchasers of the Series [20__] Bonds should review this Official Statement in its entirety in order to identify risk factors and make an informed investment decision. A number of factors, including those set forth below, may affect the City’s ability or willingness to make timely payments sufficient for the Trustee to pay debt service on the Series [20__] Bonds:

(1) Source of Payments. The Series [20__] Bonds are not general obligations of the Authority or the City but are payable only from revenues received by the Trustee on behalf of the Authority from payments made by the City under the Cooperation Agreement and other moneys held by the Trustee and pledged to the payment of the Series [20__] Bonds. The ability of the Authority to make timely payments of principal and premium, if any, and interest on the Series [20__] Bonds depends solely on the ability of the City to make timely payments under the Cooperation Agreement. **No other collateral security has been established for the Series [20__] Bonds.** The undertaking by the City to make payments under the Cooperation Agreement is subject to and dependent upon amounts being lawfully appropriated from time to time by the City Council for such purpose. The undertaking by the City to make payments under the Cooperation Agreement is neither a debt of the City within the meaning of any constitutional or statutory limitation nor a pledge of the faith and credit or the taxing power of the City. **The City Council is not legally obligated to appropriate the funds necessary to meet the City’s financial undertaking pursuant to the Cooperation Agreement.**

(2) Non-Appropriation and Limited Remedies. [The _____ or other officer charged with the responsibility for preparing the City’s annual budget is required to include in the proposed City budget for each Fiscal Year as a single appropriation the amount of all Debt Service Payments and estimated Bond Cost Payments coming due during such Fiscal Year. Throughout the term of the Cooperation Agreement, the _____ or other officer charged with the responsibility for preparing the City’s annual budget is required to deliver to the Trustee and the Authority

within 10 days after the adoption of the annual budget for each Fiscal Year, but not later than 10 days after the beginning of each Fiscal Year, a certificate stating whether an amount equal to the Debt Service Payments and estimated Bond Cost Payments which will come due during such Fiscal Year has been appropriated by the City Council in the adopted annual budget. If any adopted annual budget does not include an appropriation of funds sufficient to pay both Debt Service Payments and estimated Bond Cost Payments coming due for the relevant Fiscal Year, the City Executive will request the City Council to take a roll call vote immediately after adoption of such annual budget acknowledging the impact of its failure to appropriate such funds. If, by 15 days after the beginning of the Fiscal Year, the City Council has not appropriated funds for the payment of both Debt Service Payments and estimated Bond Cost Payments coming due for the then current Fiscal Year, the City Executive or other officer charged with the responsibility for preparing the City's annual budget is required to give written notice to the City Council of the consequences of such failure to appropriate and to request the City Council to consider a supplemental appropriation for such purposes.]

[In the event of non-appropriation of funds by the City Council, neither the City nor the Authority may be held liable for the principal of and premium, if any, and interest payments on the Series [20__] Bonds following the last Fiscal Year in which funds to make payment under the Cooperation Agreement were appropriated by the City Council. In the event of non-appropriation, moneys already on deposit in the Bond Fund will be used for the payment of principal of and premium, if any, and interest payments on all Bonds then Outstanding, but such moneys may not be sufficient to pay the Series [20__] Bonds in full.]

[Upon an Event of Default under the Trust Agreement, the Trustee has no right to accelerate the payment of the Series [20__] Bonds by declaring the entire principal of and interest on the Series [20__] Bonds to be due and payable. Similarly, upon an Event of Default under the Cooperation Agreement, the Authority has no right to accelerate the payment of Debt Service Payments by declaring the Debt Service Payments to be due and payable.]

(3) Political Risk. The current City Council has evidenced in the ordinance authorizing the Cooperation Agreement a present intent to make future appropriations of such funds as may be necessary to make payments due under the Cooperation Agreement as and when such payments become due. There can be no guarantee, however, that the City Council will retain its current constituency in the future, and there can be no guarantee that a future City Council will continue the current City Council's policy with respect to the Series [20__] Bonds.

(4) Limitation on Enforceability of Remedies. The realization of any rights upon a default will depend upon the exercise of various remedies specified in the Trust Agreement and the Cooperation Agreement. Any attempt by the Trustee to enforce such remedies may require judicial action, which is often subject to discretion and delay. Under current law, certain of the legal and equitable remedies specified in the Trust Agreement and the Cooperation Agreement may not be readily available or may not be enforced to the extent such remedy may contravene public policy.

(5) Project Cost Overruns. As a result of any change orders with respect to design and material costs of the Series [20__] Project, the total expenditures actually incurred by the City may be in excess of the amount of available Series [20__] Bond proceeds. Any such additional costs of acquiring, constructing and equipping the Series [20__] Project are not expected to materially impact the City's ability to complete the Series [20__] Project.

(6) Taxation of Interest on the Series [20__] Bonds. The opinion of Bond Counsel as described in the section "TAX MATTERS" will state that, under the conditions set forth therein, interest on the Series [20__] Bonds is not included in gross income for federal income tax purposes. Bond Counsel's opinion represents its legal judgment based in part upon the representations and covenants referenced therein and its review of current law, but is neither a guarantee of a result nor binding on the Internal Revenue Service (the "IRS") or the courts.

RATINGS

[Fitch Ratings ("Fitch"), One State Street Plaza, New York, New York 10004, has assigned a rating of "[__]" to the Series [20__] Bonds; Moody's Investors Service, Inc. ("Moody's"), 7 World Trade Center, 250 Greenwich Street, New York, New York, has assigned a rating of "[__]" to the Series [20__] Bonds; and S&P Global Ratings, a division of the McGraw-Hill Companies, Inc. ("S&P"), 55 Water Street, New York, New York, has assigned a rating of "[__]" to the Series [20__] Bonds. Such ratings reflect only the respective views of such rating agencies.]

[The Authority and the City furnished to such rating agencies the information contained in this Official Statement and certain publicly available materials and information about the Authority and the City. Generally, rating agencies base their ratings on such materials and information, as well as their own investigations, studies and assumptions. There is no assurance that a rating will continue for any given period of time or that such rating will not be revised, suspended or withdrawn if, in the judgment of the applicable rating agency, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Series [20__] Bonds.]

[Due to the ongoing uncertainty regarding the economy of the United States of America and the political uncertainty regarding the debt limit of the United States, obligations issued by state and local governments, such as the Series [20__] Bonds, could be subject to a rating downgrade. Additionally, if a significant default or other financial crisis should occur in the affairs of the United States or of any of its agencies or political subdivisions, then such event could also adversely affect the market for and ratings, liquidity and market value of outstanding debt obligations issued by state and local governments, including the Series [20__] Bonds.]

BONDS ELIGIBLE FOR INVESTMENT AND SECURITY FOR PUBLIC DEPOSITS

The Act provides that bonds issued pursuant thereto shall be legal and authorized investments for banks, savings banks, trust companies, building and loan associations, insurance companies, fiduciaries, trustees and guardians and for all public funds of the Commonwealth or other political corporations or subdivisions of the Commonwealth. No representation is made as to the eligibility of the Series [20__] Bonds for investment or any other purchase under any law of any other state. The Act also provides that bonds, such as the Series [20__] Bonds, issued pursuant thereto may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or obligations of the Commonwealth is now or may hereafter be authorized by law.

LITIGATION

To the knowledge of the Authority and the City, there is no litigation of any kind now pending or threatened to restrain or enjoin the issuance or delivery of the Series [20__] Bonds, in any manner questioning the proceedings and authority under which the Series [20__] Bonds are being issued, or affecting the power and authority of the Authority, the City or the City Council to execute or perform their obligations under the Cooperation Agreement or the Trust Agreement or to make payments due under the Cooperation Agreement. In addition, to the knowledge of the City, there is no litigation presently pending or threatened against the City that, in the event of an unfavorable decision, would have a material adverse effect upon the financial condition of the City.

LEGAL MATTERS

Certain legal matters relating to the authorization and validity of the Series [20__] Bonds will be subject to the approving opinion of Hunton Andrews Kurth LLP, Richmond, Virginia, Bond Counsel, which will be furnished at the expense of the City upon delivery of the Series [20__] Bonds, in substantially the form set forth as Appendix E (the “Bond Opinion”). The Bond Opinion will be limited to matters relating to the authorization and validity of the Series [20__] Bonds and to the tax status of interest thereon as described in the section “TAX MATTERS.” The Bond Opinion will make no statement as to the financial resources of the City or the Authority or their ability to provide for payment of the Series [20__] Bonds or as to the accuracy or completeness of this Official Statement or any other information that may have been relied on by anyone in making the decision to purchase Bonds.

Certain legal matters will be passed upon for the Authority by its counsel, [Bonnie M. Ashley], Esquire, Deputy City Attorney, and for the City by Laura K. Drewry, Esquire, City Attorney.

TAX MATTERS

Opinion of Bond Counsel. In the opinion of Bond Counsel, under current law, interest[, including any accrued original issue discount (“OID”),] on the Series [20__] Bonds (a) is not included in gross income for federal income tax purposes, (b) is not an item of tax preference for purposes of the federal alternative minimum tax, (c) is taken into account in determining adjusted financial statement income for applicable corporations (as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder (the “Code”)) for the alternative minimum tax imposed on such corporations, and (d) is exempt from income taxation by the

Commonwealth. [Except as discussed below regarding OID,] no other opinion is expressed by Bond Counsel regarding the tax consequences of the ownership of or the receipt or accrual of interest on the Series [20__] Bonds.

Bond Counsel's opinion is given in reliance upon certifications by representatives of the Authority and the City as to certain facts relevant to both the opinion and requirements of the Code, and is subject to the condition that there is compliance subsequent to the issuance of the Series [20__] Bonds with all requirements of the Code that must be satisfied in order for interest thereon to remain excludable from gross income for federal income tax purposes. The Authority and the City have covenanted to comply with the current provisions of the Code regarding, among other matters, the use, expenditure and investment of the proceeds of the Series [20__] Bonds and the timely payment to the United States of any arbitrage rebate amounts with respect to the Series [20__] Bonds. Failure by the Authority or the City to comply with such covenants, among other things, could cause interest[, including any accrued OID,] on the Series [20__] Bonds to be included in gross income for federal income tax purposes retroactively to their date of issue. The Authority and the City may in their discretion, but have not covenanted to, take any and all such actions as may be required by future changes in the Code and applicable regulations in order that interest on the Series [20__] Bonds remain excludable from gross income for federal income tax purposes.

Bond Counsel's opinion represents its legal judgment based in part upon the representations and covenants referenced therein and its review of current law, but is neither a guarantee of a result nor binding on the IRS or the courts. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may come to Bond Counsel's attention after the date of its opinion or to reflect any changes in law or the interpretation thereof that may occur or become effective after such date.

Customary practice in the giving of legal opinions includes not detailing in the opinion all of the assumptions, conditions, limitations and exclusions that are part of the conclusions therein. See *"Statement on the Role of Customary Practice in the Preparation and Understanding of Third-Party Legal Opinions,"* 63 Bus. Law. 1277 (2008), and *"Legal Opinion Principles,"* 53 Bus. Law. 831 (May 1998), updated by *"Statement of Opinion Practices,"* 74 Bus. Law. 801, 807 (2019). Purchasers of the Series [20__] Bonds should seek the advice of counsel concerning such matters as they deem prudent in connection with their purchase of Series [20__] Bonds.

Alternative Minimum Tax

Individuals – Bond Counsel's opinion states that under current law interest on the Series [20__] Bonds is not an item of preference and is not subject to the alternative minimum tax on individuals.

Applicable Corporations – Bond Counsel's opinion also states that under current law interest on the Series [20__] Bonds is taken into account in determining adjusted financial statement income for applicable corporations (as defined in Section 59(k) of the Code) for the alternative minimum tax imposed on such corporations. Under current law, an "applicable corporation" generally is a corporation with average annual adjusted financial statement income for a three-taxable-year period ending after December 31, 2021, that exceeds \$1 billion.

[Original Issue Discount. The initial public offering prices of each maturity of the Series [20__] Bonds maturing in the years [____ and ____] (the "OID Bonds") will be less than their stated principal amount. In the opinion of Bond Counsel, under current law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds to the public (excluding bond houses and brokers) at which a substantial amount of such maturity of such Series [20__] Bonds is sold will constitute OID. The offering prices set forth on the inside cover of this Official Statement for the OID Bonds are expected to be the initial offering prices to the public at which a substantial amount of each maturity of such Series [20__] Bonds will be sold.

Under the Code, for purposes of determining the holder's adjusted basis in an OID Bond, OID treated as having accrued while the holder holds such Series [20__] Bond will be added to the holder's basis. OID will accrue on a constant yield-to-maturity method. The adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of an OID Bond.

Prospective purchasers of the OID Bonds should consult their own tax advisors with respect to the calculation of accrued OID and the state and local tax consequences of owning or disposing of such Series [20__] Bonds.]

[Original Issue Premium. Series [20__] Bonds purchased, whether upon issuance or otherwise, for an amount (excluding any amount attributable to accrued interest) in excess of their principal amount will be treated for federal income tax purposes as having amortizable bond premium. A holder's basis in such a Series [20__] Bond must be reduced by the amount of premium that accrues while such Series [20__] Bond is held by the holder. No deduction for such amount will be allowed, but it generally will offset interest on the Series [20__] Bonds while so held. Purchasers of such Series [20__] Bonds should consult their own tax advisors as to the calculation, accrual and treatment of amortizable bond premium and the state and local tax consequences of holding such Series [20__] Bonds.]

Other Tax Matters. In addition to the matters addressed above, prospective purchasers of the Series [20__] Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, S corporations, foreign corporations subject to the branch profits tax, recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series [20__] Bonds should consult their tax advisors as to the applicability and impact of such consequences.

The IRS has a program to audit state and local government obligations to determine whether the interest thereon is includable in gross income for federal income tax purposes. If the IRS does audit the Series [20__] Bonds, under current IRS procedures, the IRS will treat the Authority as the taxpayer, and the owners of the Series [20__] Bonds will have only limited rights, if any, to participate.

Prospective purchasers of the Series [20__] Bonds should consult their own tax advisors as to the status of interest on the Series [20__] Bonds under the tax laws of any state other than the Commonwealth.

There are many events that could affect the value, liquidity and/or marketability of the Series [20__] Bonds after their issuance, including but not limited to public knowledge of an audit of the Series [20__] Bonds by the IRS, a general change in interest rates for comparable securities, a change in federal or state income tax rates, legislative or regulatory proposals affecting state and local government securities and changes in judicial interpretation of current law. In addition, certain tax considerations relevant to owners of Series [20__] Bonds who purchase Series [20__] Bonds after their issuance may be different from those relevant to purchasers upon issuance. Neither the opinion of Bond Counsel nor this Official Statement purports to address the likelihood or effect of any such potential events or such other tax considerations, and purchasers of the Series [20__] Bonds should seek advice concerning such matters as they deem prudent in connection with their purchase of Series [20__] Bonds.

FINANCIAL ADVISOR

Davenport & Company LLC, Richmond, Virginia, serves as financial advisor to the City and has no underwriting responsibility to the Authority or the City with respect to this transaction. As financial advisor, Davenport & Company LLC has advised the City in matters relating to the planning, structuring and issuance of the Series [20__] Bonds, assisted the City with the preparation of this Official Statement and provided to the City other advice with respect to the issuance and sale of the Series [20__] Bonds. The financial advisor's fee will be paid from legally available funds of the City. Although the Financial Advisor has assisted in the preparation of the Official Statement, the Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

[SALE AT COMPETITIVE BIDDING]

[The Series [20__] Bonds will be offered for sale at competitive bidding at ____ a.m., prevailing Eastern Time, on ____, 2024, unless changed pursuant to the terms of the Official Notice of Sale for the Series [20__] Bonds. A copy of the Notice of Sale for the Series [20__] Bonds is attached to this Preliminary Official Statement as Appendix H.]

[After the Series [20__] Bonds have been awarded to the winning bidder(s), the Authority will issue an Official Statement in final form. The Authority will deem the Official Statement final as of its date, and the Official Statement in final form will include, among other things, the identity or identities of the winning bidder(s), the final principal amounts as adjusted, the expected selling compensation to the winning bidder(s) and other information on the interest rates and offering prices or yields, all as provided by the winning bidder(s).]

CONTINUING DISCLOSURE

[To permit compliance by the underwriter with the continuing disclosure requirements of the Rule, the City will execute a Continuing Disclosure Agreement (the “CDA”) at closing agreeing to provide certain annual financial information and material event notices required by the Rule. Such information will be filed through the Electronic Municipal Market Access System maintained by the Municipal Securities Rulemaking Board and may be accessed through the Internet at emma.msrb.org. As described in Appendix F, the CDA requires the City to provide only limited information at specific times, and the information provided may not be all the information necessary to value the Series [20__] Bonds at any particular time. The City may from time to time disclose certain information and data in addition to that required by the CDA. If the City chooses to provide any additional information, the City will have no obligation to continue to update such information or to include it in any future disclosure filing. In the previous five years, the City has not failed to comply in all material respects with any of its previous continuing disclosure undertakings pursuant to the Rule.]

[Failure by the City to comply with the CDA is not an event of default under the Series [20__] Bonds or the Bond Resolution. The sole remedy for a default under the CDA is to bring an action for specific performance of the City’s covenants hereunder, and no assurance can be provided as to the outcome of any such proceeding.]

[Remainder of page intentionally left blank.]

MISCELLANEOUS

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not representations of fact. No representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Series [20__] Bonds.

The attached Appendices are an integral part of this Official Statement and must be read together with the balance of this Official Statement.

The distribution of this Preliminary Official Statement has been duly authorized by the Authority and duly approved by the City. The Authority and the City have deemed this Preliminary Official Statement “final” as of its date within the meaning of the Rule, except for the omission of certain pricing and other information permitted to be omitted by the Rule.

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

By _____
[_____, Chair]

Approved:

CITY OF RICHMOND, VIRGINIA

By: _____
_____, _____

APPENDIX A

DEFINITIONS OF CERTAIN TERMS

DEFINITIONS OF CERTAIN TERMS

[TO BE INSERTED]

APPENDIX B

SUMMARY OF THE FINANCING DOCUMENTS

SUMMARY OF THE FINANCING DOCUMENTS

[TO BE INSERTED]

APPENDIX C

CITY OF RICHMOND, VIRGINIA

THE INCLUSION OF THIS INFORMATION DOES NOT IMPLY THAT THE CITY OF RICHMOND, VIRGINIA, IS LEGALLY OBLIGATED TO MAKE PAYMENTS ON ANY BONDS OUTSTANDING UNDER THE TRUST AGREEMENT, INCLUDING THE SERIES [20__] BONDS.

CITY OF RICHMOND

[TO BE INSERTED]

APPENDIX D

**AUDITED FINANCIAL STATEMENTS OF THE CITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

APPENDIX E

FORM OF BOND COUNSEL OPINION

FORM OF BOND COUNSEL OPINION

[TO BE INSERTED]

APPENDIX F

FORM OF CONTINUING DISCLOSURE AGREEMENT

FORM OF CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** dated as of _____, 2024 (the “Disclosure Agreement”), is executed and delivered by the City Council of the City of Richmond, Virginia, on behalf of the City of Richmond, Virginia (the “City”), in connection with the issuance by the Economic Development Authority of the City of Richmond, Virginia (the “Issuer”), of its \$[_____] Revenue Bonds, Series [20__] (Diamond District Project) (the “Series [20__] Bonds”). The City hereby covenants and agrees as follows:

Section 1. Purpose. This Disclosure Agreement is being executed and delivered by the City for the benefit of the holders of the Series [20__] Bonds and in order to assist the original purchasers of the Series [20__] Bonds in complying with the provisions of Section (b)(5)(i) of Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission (the “SEC”) by providing certain annual financial information and event notices required by the Rule (collectively, the “Continuing Disclosure”).

Section 2. Annual Disclosure. (a) The City shall provide annually financial information and operating data in accordance with the provisions of Section (b)(5)(i) of the Rule as follows:

(i) financial statements of the City, prepared in accordance with generally accepted accounting principles; and

(ii) to the extent not included in (a)(i) above, certain financial and operating data with respect to the City generally of the type described in Appendix C of the Issuer’s Official Statement dated [_____] , 2024 (the “Official Statement”), in the sections entitled “[_____].”

If the financial statements filed pursuant to Section 2(a)(i) are not audited at the time initially filed, the City shall subsequently file such statements as audited when available.

(b) The City shall file annually with the Municipal Securities Rulemaking Board (“MSRB”) the financial information and operating data described in subsection (a) above (collectively, the “Annual Disclosure”) no later than the [March 1] following the end of the City’s preceding fiscal year, commencing with the City’s fiscal year ending [June 30, 2024].

(c) Any Annual Disclosure may be included by specific reference to other documents previously provided to the MSRB or filed with the SEC; provided, however, that any final official statement incorporated by reference must be available from the MSRB.

(d) The City shall file with the MSRB in a timely manner the notice specifying any failure of the City to provide the Annual Disclosure by the date specified.

Section 3. Event Disclosure. The City shall file with the MSRB in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Series [20__] Bonds:

(a) principal and interest payment delinquencies;

(b) non-payment related defaults, if material;

(c) unscheduled draws on debt service reserves reflecting financial difficulties;

(d) unscheduled draws on any credit enhancement reflecting financial difficulties;

(e) substitution of credit or liquidity providers, or their failure to perform;

(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or

determinations with respect to the tax status of the Series [20__] Bonds, or other material events affecting the tax status of the Series [20__] Bonds;

- (g) modifications to rights of holders of the Series [20__] Bonds, if material;
- (h) bond calls, if material, and tender offers;
- (i) defeasances of all or any portion of the Series [20__] Bonds;
- (j) release, substitution, or sale of property securing repayment of the Series [20__] Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the City;*
- (m) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation (as hereinafter defined) of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect holders of the Series [20__] Bonds, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the City, any of which reflect financial difficulties.

The term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Nothing in this Section (3) shall require the City to maintain any debt service reserve, credit enhancement or credit or liquidity providers with respect to the Series [20__] Bonds or to pledge any property as security for repayment of the Series [20__] Bonds.

Section 4. Termination. The obligation of the City hereunder will terminate upon the redemption, defeasance (within the meaning of the Rule) or payment in full of all the Series [20__] Bonds.

Section 5. Amendment. The City may modify its obligations hereunder without the consent of bondholders, provided that the City receives an opinion of nationally recognized bond counsel to the effect that this Disclosure Agreement as so modified complies with the Rule as it exists at the time of modification. The City shall within a reasonable time thereafter file with the MSRB a description of such modification(s).

* For the purposes of the event identified in Subsection (3)(l) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

Section 6. Defaults. (a) If the City fails to comply with any covenant or obligation regarding Continuing Disclosure specified in this Disclosure Agreement, any holder (within the meaning of the Rule) of the Series [20__] Bonds then outstanding may, by notice to the City, proceed to protect and enforce its rights and the rights of the holders by an action for specific performance of the City's covenant to provide the Continuing Disclosure.

(b) Notwithstanding anything herein to the contrary, any failure of the City to comply with any obligation regarding Continuing Disclosure specified in this Disclosure Agreement (i) shall not be deemed to constitute an event of default under the Series [20__] Bonds or the Trust Agreement (as defined in the Official Statement) providing for the issuance of the Series [20__] Bonds and (ii) shall not give rise to any right or remedy other than that described in Section 6(a) above.

Section 7. Filing Method. Any filing required hereunder shall be made by transmitting such disclosure, notice or other information in electronic format to the MSRB through the MSRB's Electronic Municipal Market Access system pursuant to procedures promulgated by the MSRB.

Section 8. Additional Disclosure. The City may from time to time disclose certain information and data in addition to the Continuing Disclosure. Notwithstanding anything herein to the contrary, the City shall not incur any obligation to continue to provide or to update such additional information or data.

Section 9. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10. Governing Law. This Disclosure Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

CITY OF RICHMOND, VIRGINIA

APPENDIX G

BOOK ENTRY ONLY SYSTEM

BOOK-ENTRY ONLY SYSTEM

The description which follows of the procedures and recordkeeping with respect to beneficial ownership interests in the Series [20__] Bonds, payments of principal of and premium, if any and interest on the Series [20__] Bonds to The Depository Trust Company, New York, New York (“DTC”), its nominee, Participants or Beneficial Owners (each as hereinafter defined), confirmation and transfer of beneficial ownership interests in the Series [20__] Bonds and other bond-related transactions by and between DTC, Participants and Beneficial Owners is based solely on information furnished by DTC.

DTC will act as securities depository for the Series [20__] Bonds. The Series [20__] Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series [20__] Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (the “Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants” and, together with the Direct Participants, the “Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series [20__] Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series [20__] Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series [20__] Bond (the “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners, however, are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series [20__] Bonds are to be accomplished by entries made on the books of the Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series [20__] Bonds, except in the event that use of the book-entry system for the Series [20__] Bonds is discontinued.

To facilitate subsequent transfers, all Series [20__] Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series [20__] Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series [20__] Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series [20__] Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holding on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series [20__] Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series [20__] Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority or the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series [20__] Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of and premium, if any, and interest on the Series [20__] Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Authority or the Trustee subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of and premium, if any, and interest on the Series [20__] Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series [20__] Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series [20__] Bond certificates will be printed and delivered.

The Authority, at the direction of the City, may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series [20__] Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority and the City believe to be reliable, but the Authority and the City take no responsibility for the accuracy thereof.

Neither the Authority, the City nor the Trustee has any responsibility or obligation to the Participants or the Beneficial Owners with respect to (a) the accuracy of any records maintained by DTC or any Participant; (b) the payment by any Participant of any amount due to any Beneficial Owner in respect of the principal of and premium, if any, and interest on the Series [20__] Bonds; (c) the delivery or timeliness of delivery by any Participant of any notice to any Beneficial Owner that is required or permitted under the terms of the Trust Agreement to be given to Bondholders; or (d) any other action taken by DTC, or its nominee, Cede & Co., as Bondholder, including the effectiveness of any action taken pursuant to an Omnibus Proxy.

So long as Cede & Co. is the registered owner of the Series [20__] Bonds, as nominee of DTC, references in this Official Statement to the Owners of the Series [20__] Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners, and Cede & Co. will be treated as the only holder of Series [20__] Bonds for all purposes under the Trust Agreement.

The Authority may enter into amendments to the agreement with DTC or successor agreements with a successor securities depository, relating to the book-entry system to be maintained with respect to the Series [20__] Bonds without the consent of Beneficial Owners or Bondholders.

APPENDIX H

OFFICIAL NOTICE OF SALE FOR SERIES [20__] BONDS

[TO BE INSERTED]

OFFICIAL NOTICE OF SALE FOR SERIES [20__] BONDS

Diamond District Escrow Agreement

Lease Amendments between the EDA and Bon Secours for the Training Camp Facility

**FIRST AMENDMENT TO DEED OF LEASE
BON SECOURS WASHINGTON REDSKINS TRAINING CENTER (SECOND FLOOR)
BETWEEN ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF
RICHMOND, VIRGINIA AND BON SECOURS-RICHMOND HEALTH SYSTEM**

This First Amendment ("First Amendment") to Deed of Lease is entered into as of this ____ day of March, 2024 ("Effective Date") by and between the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia and Bon Secours – Richmond Health System, a Virginia not-for-profit non-stock corporation.

RECITALS

A. The Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia ("Landlord") and Bon Secours – Richmond Health System, a Virginia not-for-profit non-stock corporation ("Tenant") entered into a Deed of Lease dated May 2014 (the "Lease") whereby Landlord leased to Tenant certain premises consisting of approximately 6,724 square feet of second floor space ("Premises") located in the facility formerly known as the Bon Secours Washington Redskins Training Center (the "Building").

B. The Initial Term of the Lease expired on August 31, 2023.

C. The Lease has been in effect without interruption through and including the Effective Date.

D. Tenant and Landlord have agreed to amend the Lease to (i) extend the term of the Lease through and including December 31, 2024, and (ii) address other miscellaneous provisions, all in accordance with the terms and conditions of this First Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the Lease is hereby amended as follows:

1. Term. Subject to the terms and conditions of the Lease, the Initial Term of the Lease commenced on September 1, 2015 ("**Commencement Date**") and continued uninterrupted through the Effective Date. The Landlord and Tenant desire to, and hereby do, delete Section 2.2 of the Lease in its entirety and replace it as follows:

2.2. Renewal Term. Notwithstanding the provisions of Section 2.1 ("Initial Term"), the Initial Term of the Lease is hereby extended and will expire at 11:59 pm on December 31, 2024 (the "**Expiration Date**"). As of January 1, 2025, this Lease shall automatically extend for successive one (1) month terms on the same terms and conditions except that either the Tenant or the Landlord may terminate the Lease, with or without cause, at any time, upon providing written notice to the other party at least thirty (30) days prior to the proposed termination date. As used in this Lease, "**Term**" shall mean the entire duration of this Lease, including any extensions thereof, in accordance with the provisions of the Lease. In no event shall the Term of the Lease extend beyond January 31, 2025.

2. Rent. The Parties desire to, and hereby do, delete Section 3 of the Lease in its entirety and replace it as follows:

3. **RENT**

3.1 Rent. Commencing on the Effective Date, Tenant agrees to pay Landlord, without offset or prior demand (except as expressly provided herein), rent (the “**Base Rent**”) of Twelve Thousand Five Hundred Forty-Eight Dollars (\$12,548.00) each month. If Rent is not received before the fifth (5th) calendar day after its due date, Tenant shall pay a late fee of 5% of the late installment of Rent.

3.2 INTENTIONALLY OMITTED.

3. Insurance. The Parties desire to, and hereby do, delete Section 10.1 of the Lease in its entirety and replace it as follows:

10.1 Tenant’s Coverage. Tenant covenants to maintain, Commercial General Liability insurance insuring Tenant and adding Landlord and Landlord's mortgagee, as their interests may appear, as Additional Insureds, against all claims, demands, or actions for personal injury, bodily injury, death, or property damage occurring upon, in, or about the Building, such insurance to be on a claims made basis with a combined limit of not less than Five Million Dollars (\$5,000,000) per claim made by or on behalf of any persons, firm, or corporation, arising from, related to, or connected with the conduct and operations of Tenant's business in the Building and in addition, ensure that independent contractors maintain liability insurance, and carry comprehensive all risk insurance ("Special Form") in an amount equal to one hundred percent (100%) of the replacement cost covering all of Tenant's stock in trade, fixtures, furniture, furnishings, floor coverings, and equipment within the Building. Tenant shall be responsible for and shall insure against damage to the Premises caused by theft of Tenant's property. A certificate of insurance stating the insurance requirements provided for herein, adding Landlord and Landlord's mortgagee, if any, as additional insured shall be provided to Landlord promptly upon request. Notwithstanding the foregoing or anything herein to the contrary, Tenant may elect to self-insure for coverage required to be maintained by Tenant under this Lease through participation in a corporate insurance and/or deductible policy based upon preapproval of Landlord. With respect to any deductible policy, Tenant shall be responsible for the payment of such deductible. The provisions of this Section shall, to the extent any of the above required insurance is written on a claims-made basis, survive termination or expiration of this Agreement for two (2) years.

4. Notices.

4.1 Landlord and Tenant desire to and do hereby delete the Definitions of “Landlord’s Notice Address” and “Tenant’s Notice Address.”

4.2 The Parties desire to, and hereby do, delete Section 23 of the Lease in its entirety and replace it as follows:

23. Notices. All notices shall be in writing and sent by hand, electronic mail, overnight delivery service or certified mail, return receipt requested, to the following addresses:

If to Landlord:	Economic Development Authority of the City of Richmond 1500 East Main Street, Fourth Floor Richmond, Virginia 23219 Attention: Executive Director Email: RichmondEDA@rva.gov
-----------------	---

With a copy to: The City of Richmond, Virginia
900 East Broad Street, Fourteenth Floor
Richmond, Virginia 23219
Attention: Chief Administrative Officer
Email: Lincoln.Saunders@rva.com

With a copy to: Office of the City Attorney
City of Richmond
900 E. Broad Street, Suite 400
Richmond, VA 23219
Attn: Bonnie M. Ashley
Email: bonnie.ashley@rva.gov

If to Tenant: Bon Secours Mercy Health
1701 Mercy Health Place
Cincinnati, OH 45237
Attn: Vice President – Real Estate and Ambulatory Facilities
Email: MCrawford1@mercy.com

With a copy to: Bon Secours Mercy Health
1701 Mercy Health Place
Cincinnati, OH 45237
Attn: Real Estate Counsel
Email: DGDutrol@mercy.com or MLevine@mercy.com

Notices shall be deemed received (i) if hand delivered, when received, (ii) if given by electronic mail, when transmitted to the e-mail address specified above and confirmation of complete receipt is received, (iii) if given by overnight delivery service, the business day after being sent prepaid by such overnight delivery service, or (iv) if given by certified mail, return receipt requested, postage prepaid, two (2) days after posting with the United States Postal Service. Either party may change its address by notifying the other party in a manner described above.

5. Assignment and Subletting. The Parties desire to, and hereby do, amend Section 15 of the Lease by adding a sentence at the end reading “Landlord will have the right to assign this Lease and all of its rights under this Lease to the City of Richmond, Virginia (“City”) without Tenant’s consent. In the event of such an assignment by the Landlord to the City, all payments and performances by the City will be subject to annual appropriations by the City Council of the City of Richmond and the City’s Chief Administrative Officer will be authorized to act on behalf of the City under this Lease.”

6. Ratification. Except as specifically modified in this First Amendment, all other provisions of the Lease remain the same. Defined terms used in this First Amendment have the meanings ascribed to them in the Lease. If any of the terms of this First Amendment conflict with the Lease, the terms of this First Amendment control.

7. Counterparts. This First Amendment may be executed in multiple originals or counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one Amendment. Delivery of a counterpart of this First Amendment by facsimile or by .pdf

file via the internet shall be as effective as delivery of an original executed counterpart of this First Amendment.

The duly authorized representatives of the parties have executed this First Amendment to be effective as of March ___, 2024.

THE ECONOMIC DEVELOPMENT AUTHORITY OF
THE CITY OF RICHMOND, VIRGINIA

By: _____ (SEAL)
Name: John S. Molster
Title: Chairman

APPROVED AS TO FORM

By: _____
Bonnie M. Ashley, General Counsel

BON SECOURS – RICHMOND HEALTH SYSTEM, a
Virginia not-for-profit non-stock corporation

By: _____ (SEAL)
Name: _____
Title: _____

**THIRD AMENDMENT TO DEED OF LEASE
BON SECOURS WASHINGTON REDSKINS TRAINING CENTER
BETWEEN ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF
RICHMOND, VIRGINIA AND BON SECOURS-RICHMOND HEALTH SYSTEM**

This Third Amendment ("Third Amendment") to Deed of Lease is entered into as of this ____ day of March, 2024 ("Effective Date") by and between the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia and Bon Secours – Richmond Health System, a Virginia not-for-profit non-stock corporation.

RECITALS

A. The Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia ("Landlord") and Bon Secours – Richmond Health System, a Virginia not-for-profit non-stock corporation ("Tenant") entered into a Deed of Lease dated July 8, 2013 as amended by First Amendment to Deed of Lease dated February 28, 2018 and Second Amendment to Deed of Lease dated September 27, 2018 (collectively the "Lease") whereby Landlord leased to Tenant certain premises consisting of approximately 14,526 square feet of first floor space ("Premises") located in the facility formerly known as the Bon Secours Washington Redskins Training Center (the "Building").

B. The Initial Term of the Lease expired on August 31, 2023.

C. The Lease has been in effect without interruption through and including the Effective Date.

D. Tenant and Landlord have agreed to amend the Lease to (i) modify the Premises, (ii) extend the term of the Lease through and including December 31, 2024, and (iii) address other miscellaneous provisions, all in accordance with the terms and conditions of this Third Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the Lease is hereby amended as follows:

1. Term. Subject to the terms and conditions of the Lease, the Initial Term of the Lease commenced on September 1, 2013 ("**Commencement Date**") and continued uninterrupted through the Effective Date. The Landlord and Tenant desire to, and hereby do, delete Section 2.2 of the Lease in its entirety and replace it as follows:

2.2. Renewal Term. Notwithstanding the provisions of Section 2.1 ("Initial Term"), the Initial Term of the Lease is hereby extended and will expire at 11:59 pm on December 31, 2024 (the "**Expiration Date**"). As of January 1, 2025, this Lease shall automatically extend for successive one (1) month terms on the same terms and conditions except that either the Tenant or the Landlord may terminate the Lease, with or without cause, at any time, upon providing written notice to the other party at least thirty (30) days prior to the proposed termination date. As used in this Lease, "**Term**" shall mean the entire duration of this Lease, including any extensions thereof, in accordance with the provisions of the Lease. In no event shall the Term of the Lease extend beyond January 31, 2025.

2. Premises. The Parties desire to, and hereby do, delete Section 1.1 of the Lease in its entirety and replace it as follows:

1.1. Premises. Landlord grants, demises and leases to Tenant, and Tenant leases from Landlord pursuant to the conditions set forth in this Lease, 10,638 Rentable Square Feet on the first floor of the Building in accordance with the Floor Plan attached hereto and incorporated herein by reference as Exhibit A-1.

3. Rent. The Parties desire to, and hereby do, delete Section 3 of the Lease in its entirety and replace it as follows:

3. **RENT**

3.1 Base Rent During Term. Commencing on the Effective Date, Tenant agrees to pay Landlord, without offset or prior demand (except as expressly provided herein), rent (the “**Base Rent**”) of Eighteen Thousand Six Hundred Sixty Dollars and Eighty Three Cents (\$18,660.83) each month. If Rent is not received before the fifth (5th) calendar day after its due date, Tenant shall pay a late fee of 5% of the late installment of Rent.

3.2 INTENTIONALLY OMITTED.

4. Insurance. The Parties desire to, and hereby do, delete Section 10.1 of the Lease in its entirety and replace it as follows:

10.1 Tenant’s Coverage. Tenant covenants to maintain, Commercial General Liability insurance insuring Tenant and adding Landlord and Landlord's mortgagee, as their interests may appear, as Additional Insureds, against all claims, demands, or actions for personal injury, bodily injury, death, or property damage occurring upon, in, or about the Building, such insurance to be on a claims made basis with a combined limit of not less than Five Million Dollars (\$5,000,000) per claim made by or on behalf of any persons, firm, or corporation, arising from, related to, or connected with the conduct and operations of Tenant's business in the Building and in addition, ensure that independent contractors maintain liability insurance, and carry comprehensive all risk insurance ("Special Form") in an amount equal to one hundred percent (100%) of the replacement cost covering all of Tenant's stock in trade, fixtures, furniture, furnishings, floor coverings, and equipment within the Building. Tenant shall be responsible for and shall insure against damage to the Premises caused by theft of Tenant's property. A certificate of insurance stating the insurance requirements provided for herein, adding Landlord and Landlord's mortgagee, if any, as additional insured shall be provided to Landlord promptly upon request. Notwithstanding the foregoing or anything herein to the contrary, Tenant may elect to self-insure for coverage required to be maintained by Tenant under this Lease through participation in a corporate insurance and/or deductible policy based upon preapproval of Landlord. With respect to any deductible policy, Tenant shall be responsible for the payment of such deductible. The provisions of this Section shall, to the extent any of the above required insurance is written on a claims-made basis, survive termination or expiration of this Agreement for two (2) years.

5. Notices.

5.1 Landlord and Tenant desire to and do hereby delete the Definitions of “Landlord’s Notice Address” and “Tenant’s Notice Address.”

5.2 The Parties desire to, and hereby do, delete Section 23 of the Lease in its entirety and replace it as follows:

23. Notices. All notices shall be in writing and sent by hand, electronic mail, overnight delivery service or certified mail, return receipt requested, to the following addresses:

If to Landlord: Economic Development Authority of the
City of Richmond
1500 East Main Street, Fourth Floor
Richmond, Virginia 23219
Attention: Executive Director
Email: RichmondEDA@rva.gov

With a copy to: The City of Richmond, Virginia
900 East Broad Street, Fourteenth Floor
Richmond, Virginia 23219
Attention: Chief Administrative Officer
Email: Lincoln.Saunders@rva.com

With a copy to: Office of the City Attorney
City of Richmond
900 E. Broad Street, Suite 400
Richmond, VA 23219
Attn: Bonnie M. Ashley
Email: bonnie.ashley@rva.gov

If to Tenant: Bon Secours Mercy Health
1701 Mercy Health Place
Cincinnati, OH 45237
Attn: Vice President – Real Estate and Ambulatory Facilities
Email: MCrawford1@mercy.com

With a copy to: Bon Secours Mercy Health
1701 Mercy Health Place
Cincinnati, OH 45237
Attn: Real Estate Counsel
Email: DGDutro1@mercy.com or MLevine@mercy.com

Notices shall be deemed received (i) if hand delivered, when received, (ii) if given by electronic mail, when transmitted to the e-mail address specified above and confirmation of complete receipt is received, (iii) if given by overnight delivery service, the business day after being sent prepaid by such overnight delivery service, or (iv) if given by certified mail, return receipt requested, postage prepaid, two (2) days after posting with the United States Postal Service. Either party may change its address by notifying the other party in a manner described above.

6. Assignment and Subletting. The Parties desire to, and hereby do, amend Section 15 of the Lease by adding a sentence at the end reading “Landlord will have the right to assign this Lease and all of its rights under this Lease to the City of Richmond, Virginia (“City”) without Tenant’s consent. In the event of such an assignment by the Landlord to the City, all payments and performances by the City will be

subject to annual appropriations by the City Council of the City of Richmond and the City's Chief Administrative Officer will be authorized to act on behalf of the City under this Lease."

7. Ratification. Except as specifically modified in this Third Amendment, all other provisions of the Lease remain the same. Defined terms used in this Third Amendment have the meanings ascribed to them in the Lease. If any of the terms of this Third Amendment conflict with the Lease, the terms of this Third Amendment control.

8. Counterparts. This Third Amendment may be executed in multiple originals or counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one Amendment. Delivery of a counterpart of this Third Amendment by facsimile or by .pdf file via the internet shall be as effective as delivery of an original executed counterpart of this Third Amendment.

[SIGNATURE PAGES TO FOLLOW]

The duly authorized representatives of the parties have executed this First Amendment to be effective as of March ___, 2024.

THE ECONOMIC DEVELOPMENT AUTHORITY OF
THE CITY OF RICHMOND, VIRGINIA

By: _____ (SEAL)
Name: John S. Molster
Title: Chairman

APPROVED AS TO FORM

By: _____
Bonnie M. Ashley, General Counsel

BON SECOURS – RICHMOND HEALTH SYSTEM, a
Virginia not-for-profit non-stock corporation

By: _____ (SEAL)
Name: _____
Title: _____

**Assignment and Assumption of the Ground
Lease between the EDA and the
Commonwealth of Virginia for the Training
Camp Facility**