



**Economic Development Authority of the City of Richmond  
Meeting Notice June 27, 2024**

**WHAT:** The City of Richmond's Economic Development Authority will hold its **June Board Meeting.**

**WHEN:** Thursday, June 27, 2024, at 5:00 P.M.

**WHERE:** Main Street Station, 1500 East Main Street, 3<sup>rd</sup> floor Conference Room

**CONTACT:** Glenna Chung at (804) 646-1507 or [Glenna.Chung@rva.gov](mailto: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**  
**BOARD MEETING JUNE 27, 2024 AGENDA**

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- I. Call to Order
  - A. Public Meeting Disclosure
- II. Comment (Maximum of Three Minutes Per Person)
- III. Meeting Minutes
  - A. May 29, 2024 Special Called Meeting Minutes
  - B. June 17, 2024 Special Called Meeting Minutes
- IV. New Business
  - A. Approval of May Financial Reports
  - B. Affordable Housing Performance Grants
  - C. Approval of FY25 Budget
  - D. Approval of FY25 Slate of Officers and Committee Assignments
  - E. Navigators Utility Relocations
- V. Report of the Officers
  - A. Report of the Chairman
  - B. Report of the Secretary
- VI. Other Business
- VII. Adjournment

**Upcoming Meetings**

EDA Board Committee Meeting – July 25, 2024

## **May Meeting Minutes**



**Economic Development Authority (EDA) of the City of Richmond, Virginia**  
**Special Called Meeting Minutes**  
**Wednesday, May 29, 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  
Sharon Ebert – City of Richmond, Chief Administrative Officer's Office  
Micheal Nguyen – City of Richmond, Finance  
Leonard Sledge – Department of Economic Development  
Katie McConnell – Department of Economic Development  
Rick Winston – Department of Economic Development  
Glenna Chung – Department of Economic Development  
Lisa Jones – A. G. Reese & Associates  
John O'Neill – Hunton Andrews Kurth  
Brendan Staley – Hunton Andrews Kurth  
David Rose – Davenport & Company  
Roland Kooch – Davenport & Company  
Jonathan Spiers – BizSense  
Eric Kolenich – Richmond Times-Dispatch

**Call to Order:**

Mr. Molster called the meeting to order at 4:14pm 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.

**Approval of Minutes of the Previous Meetings:**

Mr. Sledge requested the Board to consider a motion to adopt the minutes of the April 16, 2024, Special Called Meeting as stated. Mr. McCoy moved to accept the minutes. Mr. Hughes seconded the motion. The motion passed unanimously.

Mr. Sledge requested the Board to consider a motion to adopt the minutes of the May 15, 2024, Special Called Meeting as stated. Mr. Hughes moved to accept the minutes. Mr. McCoy seconded the motion. Mr. Millhiser abstained as he was not at the May 15<sup>th</sup> meeting. The motion passed.

## **New Business:**

### **March and April Financial Reports – Ms. Lisa Jones**

Mr. Sledge requested the Board to consider a motion to approve the March and April 2024 financial statements for the Economic Development Authority of the City of Richmond, Virginia. Mr. Molster moved to accept the financial statements. Mr. Hughes seconded the motion. The Motion passed unanimously.

### **Authorize the Issuance of Bonds to Finance the Infrastructure for Phase 1 of the Diamond District Development and Execute Cooperation Agreement between the EDA and the City of Richmond – Mr. Leonard Sledge**

Mr. Sledge requested the Board to consider a motion to approve the resolution authorizing the plan to finance the public infrastructure improvements, including the Cooperation Agreement between the City of Richmond and the EDA, in connection with Diamond District redevelopment project through the issuance of revenue bonds in an aggregate principal amount not to exceed \$40,000,000. Mr. McCoy made the motion. Mr. Molster seconded the motion. The motion passed unanimously.

### **Diamond District Escrow Agreement – Mr. Leonard Sledge**

Mr. Sledge requested the Board to consider a motion to authorize the Board Chair, in consultation with legal counsel, to execute the Diamond District Escrow Agreement. Mr. Hughes made the motion. Ms. Agarwal seconded the motion. The motion passed unanimously.

### **Lease Amendments between the EDA and Bon Secours for the Training Camp Facility – Ms. Katie McConnell**

Mr. Sledge requested the Board to consider a motion to authorize the Chair, in consultation with legal counsel and the executive director, to execute the first and third amendments to the deed of lease between the EDA and Bon Secours- Richmond Health System and to authorize the Chair, in consultation with legal counsel and the executive director, to execute any additional documents required to facilitate the transfer of ownership of the Training Center from the EDA to the City of Richmond, Virginia, including, but not limited to, the assignment of the assumption of the shared use agreement, the assignment and assumption of leasehold interest in ground lease, and the termination of the Leigh Street development cooperation agreement. Mr. Crooks made the motion. Ms. Agarwal seconded the motion. The motion passed unanimously.

## **Report to the Officers:**

### **Report of the Chairman – Mr. John Molster**

Mr. Molster expressed his excitement for things to come and thanked Mr. Sledge and the team for their dedication.

### **Report of the Secretary – Mr. Leonard Sledge**

Mr. Sledge shared that FY24 EDA Audit preparation has begun.

## **Other Business:**

No other business discussed.

**Adjournment:**

The meeting adjourned at 5:08pm and Ms. Chung stopped recording.

Respectfully submitted:

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Secretary to the meeting

Approved:

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John Molster, Chair

## **June Meeting Minutes**

**Economic Development Authority (EDA) of the City of Richmond, Virginia**  
**Special Called Meeting Minutes**  
**Monday, June 17, 2024**

**DRAFT**

**Members present:**

Nupa Agarwal, Vice-Chair  
Evan Feinman  
Jer'Mykeal McCoy  
Jéron Crooks  
Nathan Hughes

**Others present:**

Bonnie Ashley – City of Richmond, City Attorney's Office  
Sharon Ebert – City of Richmond, Chief Administrative Officer's Office  
Matthew Welch – Department of Economic Development  
Katie McConnell – Department of Economic Development  
Glenna Chung – Department of Economic Development  
Jonathan Spiers – BizSense

**Call to Order:**

Ms. Agarwal called the meeting to order at 5:05pm and Ms. Chung started recording the meeting.

**Public Comments:**

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

**New Business:**

**Action to Name Matthew Welch as Executive Director of the EDA and Secretary of the EDA for the Remainder of FY24**

Mr. Welch introduced himself to the EDA Board Members. He has a background in law and started with the City of Richmond as an Assistant City Attorney for the City Attorney's Office from 2011 through 2017. From then, he served as the Senior Policy Advisor for the Planning and Economic Development Portfolio where he has in depth involvement in redevelopment projects. He was recently appointed as the Acting Director of the City of Richmond's Department of Economic Development.

Mr. Hughes requested the Board to consider a motion to appoint Mathew Welch as the Executive Director of the EDA and to appoint Mathew Welch as Secretary of the EDA through the remainder of Fiscal Year 2024. Mr. Feinman made the motion. Mr. Hughes seconded the motion. The motion passed unanimously.

**Report to the Officers:**

**Report of the Chairman – Ms. Nupa Agarwal**

Ms. Agarwal shared that Mr. Molster did not have any updates to report. She expressed her excitement to

work with Mr. Welch.

**Report of the Secretary – Mr. Matthew Welch**

Mr. Welch shared his excitement to work with the team.

**Other Business:**

No other business discussed.

**Adjournment:**

The meeting adjourned at 5:10pm and Ms. Chung stopped recording.

Respectfully submitted:

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Secretary to the meeting

Approved:

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John Molster, Chair

## **EDA May Financial Report**

# EDA City of Richmond-Stone Brewery Balance Sheet Prev Year Comparison

As of May 31, 2024

	May 31, 24	May 31, 23
<b>ASSETS</b>		
Current Assets		
Checking/Savings		
10100 · Wells Fargo #2828	2,070,423.99	2,284,174.50
11000 · Accounts Receivable	17,000.19	17,000.19
14000 · Prepaid Expenses	5,294.67	-25,072.07
Total Current Assets	2,092,718.85	2,276,102.62
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	-4,181.04	-2,090.52
Total Fixed Assets	701,088.47	737,589.85
Other Assets		
19000 · Net Invest-Cap Lease Rec-Curret		
19000.1 · Current-Capital Lease Receivabl	145,022.19	145,022.19
19000.2 · Current Portion Unearned int	0.00	-96,642.15
Total 19000 · Net Invest-Cap Lease Rec-Curret	145,022.19	48,380.04
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	18,551,378.68	19,054,796.64
<b>TOTAL ASSETS</b>	<b>21,345,186.00</b>	<b>22,068,489.11</b>
<b>LIABILITIES &amp; EQUITY</b>		
Liabilities		
Current Liabilities		
25000 · Current Portion of Rec. Grant	750,000.00	0.00
Total Current Liabilities	750,000.00	0.00
Long Term Liabilities		
27200.1 · Recoverable Grant Payable	16,885,000.00	18,385,000.00
Total Long Term Liabilities	16,885,000.00	18,385,000.00
Total Liabilities	17,635,000.00	18,385,000.00
Equity		
32000 · Retained Earnings	3,786,883.62	3,246,256.90
39002 · Intercompany Transfer	-500,000.00	0.00
Net Income	423,302.38	437,232.21
Total Equity	3,710,186.00	3,683,489.11
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>21,345,186.00</b>	<b>22,068,489.11</b>

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

	May 24	May 23	YTD 24	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense						
Income						
42800 · Interest Income	2,397.46	2,166.10	25,246.04	13,750.00	11,496.04	15,000.00
43000 · Interest on Capital Lease	93,614.12	96,886.29	1,043,809.39	1,045,188.99	-1,379.60	1,140,206.17
Total Income	96,011.58	99,052.39	1,069,055.43	1,058,938.99	10,116.44	1,155,206.17
Expense						
62400 · Depreciation Expense	174.21	174.21	1,916.31	1,916.31	0.00	2,090.52
63300 · Insurance Expense	481.33	389.08	4,375.18	6,416.67	-2,041.49	7,000.00
63500 · Bank Fees	0.00	0.00	0.00	91.67	-91.67	100.00
66100 · Interest Expense-Bond	57,025.60	58,840.27	627,281.33	630,861.46	-3,580.13	688,212.50
66700 · Professional Fees	0.00	0.00	0.00	18,333.33	-18,333.33	20,000.00
67200 · Repairs and Maintenance	0.00	0.00	1,710.40	27,500.00	-25,789.60	30,000.00
67500 · Roof Expense	0.00	0.00	10,469.83	27,500.00	-17,030.17	30,000.00
Total Expense	57,681.14	59,403.56	645,753.05	712,619.44	-66,866.39	777,403.02
Net Ordinary Income	38,330.44	39,648.83	423,302.38	346,319.55	76,982.83	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	38,330.44	39,648.83	423,302.38	346,319.55	76,982.83	377,803.15

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

**DRAFT**

	May 31, 24	May 31, 23
<b>ASSETS</b>		
Current Assets		
Checking/Savings		
10200 · FCB #7709 Savings	650,058.34	1,245,926.37
10300 · Towne Bank Savings	50,805.74	50,780.30
10450 · Well Fargo #7155 Checking	1,442,720.19	79,651.57
10500 · Restricted Checking/Savings		
10501.1 · FCB 8605 Facade/Vent	53,540.90	89,015.69
10502 · C&F Bank #3929 Tobacco Rowe	140,549.81	117,930.70
10505 · Wells Fargo #0731 Grants	567,540.08	661,233.07
10509 · EDA-Hull Street Facade Program	250,125.57	250,000.34
10510 · EDA Triple A Grant Program	199,703.51	0.00
10511 · Enterprise Zone Program	110,471.22	0.00
Total 10500 · Restricted Checking/Savings	1,321,931.09	1,118,179.80
Total Checking/Savings	3,465,515.36	2,494,538.04
Accounts Receivable		
11000 · Accounts Receivable	12,800.00	1,089,162.00
Total Accounts Receivable	12,800.00	1,089,162.00
Other Current Assets		
112000 · Due from City of Richmond	0.00	119,692.23
14000 · Prepaid Expenses	34,653.35	162,391.53
Total Other Current Assets	34,653.35	282,083.76
Total Current Assets	3,512,968.71	3,865,783.80
Fixed Assets		
15000 · Furniture and Equipment	3,168.47	3,168.47
17000 · Accumulated Depreciation	-1,214.40	-580.80
Total Fixed Assets	1,954.07	2,587.67
Other Assets		
17500 · Website		
17500.1 · Accumulated Amortization-Websit	-40,623.00	0.00
17500 · Website - Other	126,895.00	0.00
Total 17500 · Website	86,272.00	0.00
18000 · Investment City Center	13,173,606.89	8,787.96
18100 · Investment Diamond District	1,000,000.00	0.00
19000 · Leigh St / Westhampton	-1,200,200.00	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	13,426,937.89	384,912.96
TOTAL ASSETS	16,941,860.67	4,253,284.43
<b>LIABILITIES &amp; EQUITY</b>		
Current Liabilities		

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

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	May 31, 24	May 31, 23
Accounts Payable		
27000 · Accounts Payable	4,844.95	0.00
20000 · Other Accounts Payable	0.00	965.60
Total Current Liabilities	4,844.95	965.60
Total Liabilities	4,844.95	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	207,913.42	435,062.48
Total Equity	16,937,015.72	4,252,318.83
TOTAL LIABILITIES & EQUITY	16,941,860.67	4,253,284.43

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

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	May 24	May 23	\$ Over PY	YTD 24	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense							
Income							
40800 · Restricted Interest Income	62.69	59.30	251.96	710.20	27,500.00	-26,789.80	30,000.00
41200 · Grants	0.00	788,362.00	-788,362.00	1,551,514.59	1,135,165.17	416,349.42	1,238,362.00
41220 · Grants (non-city)	0.00	0.00	0.00	700,000.00	641,666.67	58,333.33	700,000.00
41225 · Grants-Façade Program	0.00	0.00	0.00	0.00	183,333.33	-183,333.33	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	41,250.00	34,750.00	45,000.00
42000 · Administrative Loan Fee Income	3,000.00	3,000.00	0.00	33,000.00	33,000.00	0.00	36,000.00
42300 · Annual Bond Administrative Fee	0.00	0.00	0.00	20,000.00	18,333.33	1,666.67	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	1,026.62	1,123.75	-97.13	11,589.81	27,500.00	-15,910.19	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	4,089.31	792,545.05	-788,455.74	2,395,314.60	2,129,748.50	265,566.10	2,321,362.00
Expense							
60100 · Grants-Econ Dev Incentives	0.00	0.00	0.00	1,051,514.60	1,135,165.17	-83,650.57	1,238,362.00
60115-Grants Triple A	0.00	0.00	0.00	475,295.00	641,666.67	-166,371.67	700,000.00
60200-Grants-Façade	0.00	0.00	0.00	35,590.81	183,333.33	-147,742.52	200,000.00
60400 · Bank Service Charges	64.30	142.21	-77.91	1,794.73	4,583.33	-2,788.60	5,000.00
60500 · Grants-Enterprise Zone	23,857.18	0.00	23,857.18	257,500.25	0.00	257,500.25	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	4,706.15	0.00	4,706.15	6,196.39	1,833.33	4,363.06	2,000.00
61900 · Contingency fund	0.00	0.00	0.00	0.00	4,583.33	-4,583.33	5,000.00
6240 · Depreciation	52.80	52.80	0.00	580.80	916.67	-335.87	1,000.00
6250 · Due & Memberships	0.00	0.00	0.00	26,307.00	4,583.33	21,723.67	5,000.00
62550 · Accounting Services	3,500.00	3,000.00	500.00	35,500.00	36,666.67	-1,166.67	40,000.00
62552 · Audit Services	0.00	0.00	0.00	34,908.00	38,500.00	-3,592.00	42,000.00
63300 · Insurance Expense							
63300.1 · Board Insurance	206.16	206.16	0.00	2,292.76	2,291.67	1.09	2,500.00
63300.2 · Insurance-Laurel /Stoney Point	429.33	429.33	0.00	4,722.63	4,583.33	139.30	5,000.00
63300.3 · Insurance-Coliseum lots	8,852.92	0.00	8,852.92	8,852.92	0.00	8,852.92	0.00
Total 63300 · Insurance Expense	9,488.41	635.49	8,852.92	15,868.31	6,875.00	8,993.31	7,500.00
64100 · Legal Expense	0.00	0.00	0.00	0.00	11,458.33	-11,458.33	12,500.00
64200 · Marketing							
64200.1 · Web Hosting	1,299.00	20.00	1,279.00	14,289.00	18,333.33	-4,044.33	20,000.00
64200 · Marketing - Other	8,758.50	8,864.00	-105.50	54,037.66	9,166.67	44,870.99	10,000.00
Total 64200 · Marketing	10,057.50	8,884.00	1,173.50	68,326.66	27,500.00	40,826.66	30,000.00
64300 · Meals and Entertainment	0.00	0.00	0.00	15,060.94	9,166.67	5,894.27	10,000.00
64400 · Miscellaneous Expense	0.00	0.00	0.00	0.00	1,375.00	-1,375.00	1,500.00
64900 · Office Supplies	0.00	0.00	0.00	192.73	458.33	-265.60	500.00
66700 · Professional Fees	0.00	0.00	0.00	0.00	11,458.33	-11,458.33	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	645.26	916.67	-271.41	1,000.00
68400 · Meetings expense	0.00	0.00	0.00	9,553.88	0.00	9,553.88	5,000.00
68500 · Travel	0.00	0.00	0.00	930.60	1,833.33	-902.73	2,000.00
68600 · Utilities	1.95	0.00	1.95	923.99	0.00	923.99	0.00
68600.1 · Internet Service	44.00	44.00	0.00	484.00	458.33	25.67	500.00
Total Expense	51,830.95	12,838.90	38,992.05	2,187,401.18	2,123,331.83	64,069.35	2,321,362.00
Net Ordinary Income	-47,741.64	779,706.15	-827,447.79	207,913.42	6,416.67	201,496.75	0.00
Net Income	-47,741.64	779,706.15	-827,447.79	207,913.42	6,416.67	201,496.75	0.00



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

	May 31, 24	May 31, 23
<b>ASSETS</b>		
Current Assets		
Truist #5122		
10200 · Operating Funds	379,173.21	435,574.96
10200.1 · Reserve Funds	130,281.98	142,184.84
10200.2 · Westhampton Funds	33,834.55	28,834.55
Total Truist #5122	543,289.74	606,594.35
11000 · Accounts Receivable	40,601.11	0.00
11400 · ASM Escrow	0.00	-46,306.71
11200 · Interest Receivable	0.00	231.05
14000 · Prepaid Expenses	4,508.00	0.00
Total Current Assets	588,398.85	560,518.69
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	-85,280.80	-56,041.60
Total 16990 · Leased capital assets	1,420,538.20	1,449,777.40
17000 · Accumulated Depreciation	-140,707.32	-135,047.83
17300 · Accum Depr-Other	-90,957.33	-80,419.88
17500 · Accum Depr- Building	-3,135,228.00	-3,135,228.00
17600 · Accum Depr-Building Improvement	-3,190,977.14	-2,887,688.48
Total Fixed Assets	11,308,155.49	11,617,889.79
Other Assets		
19000 · Net Invest Lease Rec-Current		
19000.1 · Current Lease Rec-Training Cent	0.00	28,363.97
Total 19000 · Net Invest Lease Rec-Current	0.00	28,363.97
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	85,322.97
<b>TOTAL ASSETS</b>	<b>11,896,554.34</b>	<b>12,263,731.45</b>
<b>LIABILITIES &amp; EQUITY</b>		
Liabilities		
Current Liabilities		
20000 · Accounts Payable	13,977.07	119.44
23100 · Interest Payable	39,661.32	31,401.65
24800 · Deferred Revenue	0.00	417.07

**DRAFT**

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

	May 31, 24	May 31, 23
25000 · Maintenance Reserve-Westhampton	130,281.98	142,184.84
Total Current Liabilities	183,920.37	174,123.00
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	7,653,203.37	8,143,406.00
Equity		
Intercompany Transfer	0.00	380,065.00
30001 · Deferred Inflow of Resources-Le	-54,294.96	-298,622.28
39005 · Net Position	4,207,203.09	4,155,251.28
Net Income	90,442.84	-116,368.55
Total Equity	4,243,350.97	4,120,325.45
TOTAL LIABILITIES & EQUITY	11,896,554.34	12,263,731.45

**DRAFT**

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

DRAFT

	May 24	May 23	YTD 24	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense						
Income						
40000 · Event Income	24,000.00	34,822.00	165,919.00	43,885.42	122,033.58	47,875.00
41500 · Advertising & Other Income	0.00	4,565.00	13,133.00	2,887.50	10,245.50	3,150.00
41600.1 · Building Rent-1st Floor	25,407.27	24,267.37	277,507.37	280,324.00	-2,816.63	305,808.00
41600.2 · Building Rent-2nd Floor	13,448.00	13,448.00	147,928.00	147,928.00	0.00	161,376.00
41600.3 · 1st Floor Ground Rent	1,767.00	1,767.00	19,437.00	19,437.00	0.00	21,204.00
41600.4 · 2nd Floor Ground Rent	563.00	563.00	6,193.00	6,193.00	0.00	6,756.00
41600.5 · 1st Floor CAM	16,625.00	16,625.00	182,875.00	183,333.33	-458.33	200,000.00
41600.6 · 2nd Floor CAM	7,695.00	7,695.00	84,645.00	91,666.67	-7,021.67	100,000.00
41650 · Rental Income-Westhampton	417.07	416.63	5,000.00	4,583.33	416.67	5,000.00
41660 · Westhampton Maintenance Res	0.00	2,100.00	37,730.58	11,000.00	26,730.58	12,000.00
Total Income	89,922.34	106,269.00	940,367.95	791,238.25	149,129.70	863,169.00
Expense						
60100 · Amortization Expense	2,436.60	2,436.60	26,802.60	26,802.60	0.00	29,239.20
60500 · Staffing	0.00	14,474.00	90,635.00	146,465.00	-55,830.00	159,780.00
60510 · Payroll Expenses	0.00	240.00	5,853.00	6,416.67	-563.67	7,000.00
61000 · General and Administrative	0.00	3,822.00	17,388.03	38,599.92	-21,211.89	42,109.00
61500 · Security Service	460.00	482.00	8,656.00	9,166.67	-510.67	10,000.00
63400 · Interest Exp-lease	4,055.63	4,044.25	44,764.47	45,833.33	-1,068.86	50,000.00
63500 · Bank Service Charges	33.60	22.20	939.11	458.33	480.78	500.00
63700 · Landscaping and Groundskeeping	1,750.00	2,100.00	14,050.00	11,000.00	3,050.00	12,000.00
66500 · Telephone Expense	163.23	605.00	4,548.51	7,333.33	-2,784.82	8,000.00
66670 · Insurance Expense	1,130.00	2,380.00	15,557.00	22,916.67	-7,359.67	25,000.00
66700 · Professional Fees	1,035.00	0.00	12,195.00	4,583.33	7,611.67	5,000.00
67100 · Ground Rent Expense	0.00	0.00	0.00	37,180.00	-37,180.00	40,560.00
67700 · Real estate taxes	0.00	0.00	4,930.72	9,166.67	-4,235.95	10,000.00
68400 · Grounds Maintenance	0.00	9,709.00	81,384.00	91,666.67	-10,282.67	100,000.00
68500 · Maintenance Expense	1,130.15	3,679.00	34,091.35	55,000.00	-20,908.65	60,000.00
68510 · Janitorial Service Supplies	2,892.96	1,463.00	20,999.23	15,583.33	5,415.90	17,000.00
69000 · Base Management Expense	0.00	1,205.00	7,522.00	8,525.00	-1,003.00	9,300.00
69001 · Incentive Management Fee	0.00	639.00	4,486.00	5,500.00	-1,014.00	6,000.00
69500 · Operations	1,045.00	853.00	27,786.58	18,333.33	9,453.25	20,000.00
78000 · Utilities	9,320.59	12,722.44	133,366.94	100,833.33	32,533.61	110,000.00
Total Expense	25,452.76	60,876.49	555,955.54	661,364.18	-105,408.64	721,488.20
Net Ordinary Income	64,469.58	45,392.51	384,412.41	129,874.07	254,538.34	141,680.80
Other Income/Expense						
Other Income						
42800 · Interest Income-Cking	4.25	2.86	28.04	20.00	8.04	30.00
Total Other Income	4.25	2.86	28.04	20.00	8.04	30.00
Other Expense						
72500 · Depreciation Expense						
72500 · Depreciation Expense	24,828.14	26,433.38	293,997.61	287,725.16	6,272.45	313,881.99
Total Other Expense	24,828.14	26,433.38	293,997.61	287,725.16	6,272.45	313,881.99
Net Other Income	-24,823.89	-26,430.52	-293,969.57	-287,705.16	-6,264.41	-313,851.99
Net Income	39,645.69	18,961.99	90,442.84	-157,831.09	248,273.93	-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  
May 31, 2024

DRAFT

	CARE	EZIL	CAP	CRLF	EDHLF	OPERATIONS	TOTAL
<b>ASSETS</b>							
Peoples Bank			753,572.27	417,603.49		38,005.25	1,209,181.01
Wells Fargo Checking	788,171.19						788,171.19
Wells Fargo Money Market	105,798.35						105,798.35
Community Capital Bank				182,541.04			182,541.04
Atlantic Union Bank		244,673.40			-		244,673.40
Community Capital Bank GLFIA					465,723.68		465,723.68
Peoples Bank LRA					2,032,950.67		2,032,950.67
Peoples Bank GLFIA					1,028,351.04		1,028,351.04
Peoples Bank GLFIA-2					357,407.42		357,407.42
Total Cash	893,969.54	244,673.40	753,572.27	600,144.53	3,884,432.81	38,005.25	6,414,797.80
Prepaid/Accounts Receivable	400.00	-	-	-	-	-	400.00
<b>Total Current Assets</b>	894,369.54	244,673.40	753,572.27	600,144.53	3,884,432.81	38,005.25	6,415,197.80
<b>Long Term Assets</b>							
Note/Grant Receivable	24,306.73	-	141,239.34	998,815.33	7,414,313.28		8,578,674.68
Unused LOC			-				-
Accrued Interest Receivable	10,073.27	-	58,587.18	134,382.01	1,661,863.54		1,864,906.00
Loan Loss Reserve	(12,155.68)	-	(87,326.39)	(230,962.00)	(159,898.36)		(490,342.43)
<b>Total Long Term Assets</b>	22,224.32	-	112,500.13	902,235.34	8,916,278.46	-	9,953,238.25
<b>Total Assets</b>	916,593.86	244,673.40	866,072.40	1,502,379.87	12,800,711.27	38,005.25	16,368,436.05
Accounts Payable	3,150.00	-	3,000.00	4,800.00	-	1,450.00	12,400.00
Due to City of Richmond	-					33,348.93	33,348.93
Net Position	913,443.86	244,673.40	863,072.40	1,497,579.87	12,800,711.27	3,206.32	16,322,687.12
<b>Total Liabilities &amp; Net Position</b>	916,593.86	244,673.40	866,072.40	1,502,379.87	12,800,711.27	38,005.25	16,368,436.05
	-	-	-	-	-	-	-



**DRAFT**

**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 Eleven Months Ending May 31, 2024**

	CARE	EZIL	CAP	CRLF	EDHLF	OPERATIONS	TOTAL
<b>Operating Revenues</b>							
Program Income-Interest	1,432.66		9,725.91	46,893.14	326,637.52		384,689.23
Loan origination fee					-		-
Application fees							-
Loan Document Fees	-						-
Capital Contributions	300,000.00						300,000.00
Late fees , etc.	-		-			-	-
<b>Total Revenues</b>	301,432.66	-	9,725.91	46,893.14	326,637.52	-	684,689.23
<b>Expenses</b>							
Bank Charges/Late Fees	138.08		-	93.58	-	11.87	243.53
Loan Fund Grants	198,399.40				-		198,399.40
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	11,550.00		8,250.00	13,200.00	-	-	33,000.00
<b>Total Expenses</b>	286,087.48	-	8,250.00	13,293.58	-	101.13	307,732.19
<b>Net Increase (Decrease) From Operations</b>	15,345.18	-	1,475.91	33,599.56	326,637.52	(101.13)	376,957.04
<b>Other Income &amp; Expenses</b>							
Bank Interest Earned	8,633.19	561.69	134.86	2,573.86	9,070.26	8.87	20,982.73
Recoveries			-				-
<b>Total Other Income &amp; Expenses</b>	8,633.19	561.69	134.86	2,573.86	9,070.26	8.87	20,982.73
<b>Net Increase (Decrease) in Funds</b>	23,978.37	561.69	1,610.77	36,173.42	335,707.78	(92.26)	397,939.77
<b>Net Position, Beg of Year</b>	889,465.49	244,111.71	861,461.63	1,461,406.45	12,465,003.49	3,298.58	15,924,747.35
<b>Net Position, End of Period</b>	913,443.86	244,673.40	863,072.40	1,497,579.87	12,800,711.27	3,206.32	16,322,687.12

## **Affordable Housing Performance Grants**

INTRODUCED: June 10, 2024

AN ORDINANCE No. 2024-164

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Grant Agreement between the City of Richmond, Walmsley Gardens, LLC, and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of an affordable residential development located at 4824, 4838, 4850, 4870, and 4890 Walmsley Boulevard. (9<sup>th</sup> District)

\_\_\_\_\_  
Patron – Mayor Stoney  
\_\_\_\_\_

Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: JUNE 24 2024 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute a Grant Agreement between the City of Richmond, Walmsley Gardens, LLC, and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of an affordable residential development located 4824, 4838, 4850, 4870, and 4890 Walmsley Boulevard. The Grant Agreement shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this

AYES: \_\_\_\_\_ NOES: \_\_\_\_\_ ABSTAIN: \_\_\_\_\_

ADOPTED: \_\_\_\_\_ REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

ordinance.

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

APPROVED AS TO FORM:

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CITY ATTORNEY'S OFFICE



# City of Richmond

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

## Master

**File Number: Admin-2024-0591**

**File ID:** Admin-2024-0591

**Type:** Request for Ordinance or Resolution

**Status:** Regular Agenda

**Version:** 1

**Reference:**

**In Control:** City Clerk Waiting Room

**Department:** Michelle Peters

**Cost:**

**File Created:** 06/06/2024

**Subject:** Walmsley Gardens LLC - Performance Grant

**Final Action:**

**Title:**

### Internal Notes:

### Code Sections:

**Agenda Date:** 06/10/2024

**Indexes:**

**Agenda Number:**

**Patron(s):**

**Enactment Date:**

**Attachments:** Admin-2024-0591 Walmsley Gardens Performance GrantMTM, Admin-2024-0591 EDA Affordable Housing Performance Grant Agreement - Walmsley Family - AATF, Admin-2024-0591 Agmt - Walmsley Gardens Performance Agreement AATF (signed)

**Enactment Number:**

**Contact:**

**Introduction Date:**

**Drafter:** Michelle.peters@rva.gov

**Effective Date:**

### Related Files:

### Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	6/6/2024	Alecia Blackwell - FYI	Notified - FYI	
1	2	6/7/2024	Leonard Sledge	Delegated	
1	3	6/7/2024	Sharon Ebert	Approve	6/11/2024
1	4	6/7/2024	Sharon Ebert	Approve	6/10/2024
1	5	6/7/2024	Meghan Brown	Approve	6/10/2024
1	6	6/7/2024	Sheila White	Approve	6/10/2024
1	7	6/7/2024	Sabrina Joy-Hogg	Approve	6/11/2024
1	8	6/7/2024	Jeff Gray	Approve	6/11/2024
1	9	6/7/2024	Lincoln Saunders	Approve	6/11/2024
1	10	6/7/2024	Mayor Stoney	Approve	6/11/2024

History of Legislative File

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Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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**Text of Legislative File Admin-2024-0591**

**City of Richmond**  
**Intracity Correspondence**

**O&R Request**

**DATE:** June 6, 2024

**THROUGH:** The Honorable Levar M. Stoney, Mayor

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

**THROUGH:** Sabrina Joy-Hogg, DCAO - Finance & Administration

**THROUGH:** Sheila White, Director of Finance

**THROUGH:** Meghan Brown, Director of Budget & Strategic Planning

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

**THROUGH:** Leonard Sledge, Director of Economic Development

**FROM:** Merrick Malone, Acting Director of Housing and Community Development

**RE:** Approval of one (1) Performance Grant for an Affordable Housing Development Project

**ORD. OR RES. No.**

**PURPOSE:** To authorize the Chief Administrative Officer (“CAO”) to execute, for and on behalf of the City of Richmond (“City”), the Grant Agreements attached hereto by and between the City, the Economic Development Authority (“EDA”), and the following recipients:

- Walmsley Gardens, LLC

**REASON:** Council approval is necessary to authorize the City’s execution of the Grant Agreement.

**RECOMMENDATION:** The City Administration recommends approval.

**BACKGROUND:** In 2022, the Virginia General Assembly approved HB1194, which amended Ch. 49, Title 15.2 of the Code of Virginia for the purpose of authorizing

industrial/economic development authorities “to make grants associated with the construction of affordable housing to promote safe and affordable housing in the Commonwealth.”

These Grant Agreements will induce the Recipients to construct and operate development projects (the “Project”) that will result in significant investment and economic development on the sites located at the identified addresses in **Attachment A** and will promote safe and affordable housing in the City, and result in substantial benefits to the welfare of the City and its inhabitants, as well as is in the public interest, and serves governmental interests:

Grant payments will be solely limited to incremental real estate tax revenues generated by the Project and received by the City and such payments will be conditioned upon the Recipients’ completion of Project construction and continued maintenance thereafter. To qualify for grant payments, the Projects each must include at least the number of residential units that restrict occupancy and rents to identified AMIs, according to standards promulgated by the State Housing Finance Agency (i.e., Virginia Housing), for a minimum of thirty (30) years. See **Attachment A**.

**FISCAL IMPACT / COST:** No direct fiscal impact to the baseline of current real estate tax revenues received by the City for such properties as the grant payments are solely limited to incremental tax revenues above and beyond such respective baselines.

**FISCAL IMPLICATIONS:** The approval of these performance grants will allow the City to meet one of its main affordable housing goals, and the new housing units produced are direly needed as the City recently declared a “housing crisis”. There are no direct fiscal implications as the grant payments are solely limited to incremental tax revenues above and beyond the identified baselines of current real estate tax revenues received by the City for such baselines for each of the projects.

**BUDGET AMENDMENT NECESSARY:** None

**REVENUE TO CITY:** N/A

**DESIRED EFFECTIVE DATE:** Upon adoption

**REQUESTED INTRODUCTION DATE:** June 10, 2024

**CITY COUNCIL PUBLIC HEARING DATE:** June 24, 2024

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Finance & Economic Development



**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** N/A

**AFFECTED AGENCIES:** Housing & Community Development,  
Economic Development, Finance, Budget, City Attorney's Office

**RELATIONSHIP TO EXISTING ORD. OR RES.:** N/A

**REQUIRED CHANGES TO WORK PROGRAM(S):** None

**ATTACHMENTS:** Grant Agreement for the proposed recipient.

**STAFF:**

Merrick Malone, Interim Director of Housing and Community  
Development Leonard Sledge, Director of Economic Development

## GRANT AGREEMENT

This **GRANT AGREEMENT** (this “Agreement”) is made and entered this \_\_\_\_ day of \_\_\_\_, 2024 (the “Effective Date”), by and among the **CITY OF RICHMOND, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia (the “City”), **WALMSLEY GARDENS, LLC**, a Virginia limited liability company, or its assigns or successors (the “Recipient”), and the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND**, a political subdivision of the Commonwealth of Virginia (the “Authority”).

### RECITALS

- A. The Recipient plans to develop and operate on the Site, as defined below, the Project, as defined below.
- B. In connection with its development of the Project, Recipient intends to divide the Assemblage and create the Site, whereupon the Site will be designated as a parcel in the tax records of the City and assigned a tax parcel identification number.
- C. The City and the Authority have determined that the Project will result in significant investment and economic development on the Site, will promote safe and affordable housing in the City of Richmond, will result in substantial benefits to the welfare of the City and its inhabitants, is in the public interest, and serves governmental interests.
- D. The City plans to fund an economic development monetary grant (the “Grant”) by the Authority to the Recipient for the purpose of inducing the Recipient to construct and operate the Project in the City of Richmond.
- E. Payment of the Grant will be conditioned upon the Recipient’s completion of Project construction or rehabilitation and continued maintenance of the Project, as defined herein, and the funds comprising payments of the Grant will be solely limited to a portion of the incremental real estate tax revenues for the Site generated by the Project (i.e., including both the fee interest (and leasehold interest, if applicable) in the land and all improvements), all as set forth herein.
- F. The City is authorized by Section 15.2-953 of the Code of Virginia and other laws, and the Authority is authorized by the Industrial Development and Revenue Bond Act, contained in Chapter 49, Title 15.2 of the Code of Virginia and other laws to perform the activities contemplated in this Agreement. The Authority is authorized by the Code of Virginia to make grants to non-public organizations such as Recipient in furtherance of the purpose of promoting economic development and affordable housing.
- G. This Agreement sets forth the understanding of the parties concerning the Recipient’s obligations, the Authority’s obligations, and the incentives offered by the City, subject to the approval of the Authority’s Board and the Richmond City Council and subject to appropriations.

**NOW, THEREFORE**, in consideration of the foregoing, the mutual benefits, promises and

undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows.

## **Section 1. Preliminary Provisions**

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

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

“AMI” means area median gross income for the Richmond-Petersburg Metropolitan Statistical Area for the applicable year of the Grant Period.

“Assemblage” means, collectively, that certain real property comprised of (i) those certain parcels of 0.299 and 0.381 acres currently owned by Kim China Ha, located respectively at 4818 and 4830 Walmsley Boulevard and currently referred to in the records of the City Assessor as Parcel Nos. C0080745024 and C0080745028; and (ii) those certain parcels of 0.303; 0.362; 2.98; 2.01; and 4.184 acres currently owned by KCH Total Management, LLC, located respectively at 4824, 4838, 4850, 4870 and 4890 Walmsley Boulevard and currently referred to in the records of the City Assessor as Parcel Nos. C0080745026; C0080745030; C0080745031; C0080745032; and C0080745033.

“Base Real Estate Tax Revenue” means \$5,349.60 per year, being the amount equal to the real estate taxes levied on the Site for the current tax year as of the Grant Commencement Date. For the avoidance of doubt, the Base Real Estate Tax Revenue is calculated based on the tax rate of \$1.20 per every \$100.00 of assessment value attributed to the portions of the Assemblage that comprise the Site, with seventy percent (70.0%) of the real estate taxes levied on Parcel No. C0080745031 included in the figure above.

“Grant” has the meaning set forth in the recitals of this Agreement.

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

“Grant Payment Request” means a written request for a Grant Payment, which shall include (1) documentation showing its full payment of the Real Estate Tax Levy (including all applicable penalties and interest), and (2) the amount of the requested Grant Payment and explanation of the calculation thereof (i.e., Real Estate Tax Levy *minus* Base Real Estate Tax Revenue *equals* Incremental Real Estate Tax Revenue, as pro-rated for the applicable installment period).

“Grant Period” means that certain period commencing upon January 1<sup>st</sup> of the first real estate tax year following Recipient’s completion of Project construction or rehabilitation, as shall be evidenced by receipt of a temporary Certificate of Occupancy (“Grant Commencement Date”) and

ending on last day of the thirtieth (30th) real estate tax year following the Grant Commencement Date (“Grant Expiration Date”). The parties acknowledge that the “Real Estate Tax Levy” for the last year of the Grant Period may not be received by the City until after the Grant Expiration Date, and that a Grant Payment shall be paid to the Recipient corresponding to such Real Estate Tax Levy.

“Grant Management Fee” means one time non-refundable fee and an annual payment equal to 1% of the Grant Payment to cover the administrative expenses of the Authority for managing the Grant during the Grant Period.

“Incremental Real Estate Tax Revenue” means, for each applicable real estate tax year during the Grant Period, the amount by which the Real Estate Tax Levy exceeds the Base Real Estate Tax Revenue, provided the Recipient pays the Real Estate Tax Levy to the City in full (including any applicable penalties and interest for late payment in accordance with any applicable provision of the Richmond City Code), subject to the applicable cure periods. The Parties acknowledge that the Real Estate Tax Levy is and may in the future be billed and due in installments (currently twice a year); therefore, as used herein “Incremental Real Estate Tax Revenue” shall be determined based on the applicable payment (or installment) of the Real Estate Tax Levy for each applicable real estate tax year.

“Investor” means Red Stone Equity – Fund [REDACTED] Limited Partnership.

“Land Records” means the Clerk’s Office of the Circuit Court of the City of Richmond, Virginia.

“Maintain” means the Recipient’s continued maintenance and operation of the Project following completion of Project construction or rehabilitation, as set forth by Section 2.3.2 of this Agreement.

“Mortgage” means any mortgage, deed of trust, deed to secure debt or other similar instrument created for the purpose of securing indebtedness of Recipient, and recorded among the Land Records, or any mortgage, deed of trust, deed to secure debt or other similar instrument created for the purposes of refinancing such indebtedness and recorded among the Land Records.

“Mortgagee” means the secured party under a Mortgage.

“Project” means a development on the Site containing not less than 216 residential units, subject to income and rent restrictions as shown on Exhibit A and monitored by the State Housing Finance Agency.

“Real Estate Tax Levy” means the amount of real estate taxes levied by the City on the Site (including both the fee interest (and leasehold interest, if applicable) and Project (i.e., including land and all improvements) for a given real estate tax year, pursuant to Chapter 26 of the Code for the City of Richmond (“City Code”).

“Site” means, that certain parcel of 8.363 acres, shown as Parcel B on that certain “*Boundary Line Adjustment Plat Between Seven Parcels of Land Located Along the North Line of Walmsley Boulevard City of Richmond, Virginia*” dated May 8, 2024, prepared by Shadrach & Associates LLC, and attached hereto as Exhibit B, and as more particularly described in Exhibit C.

“State Housing Finance Agency” means Virginia Housing (formerly known as Virginia

Housing Development Authority), a political subdivision of the Commonwealth of Virginia, or its successor.

## **Section 2. Recipient's Obligations**

### **2.1 Grant Management Fee.**

The Recipient shall pay a Grant Management Fee consisting of (i) a one-time, non-refundable \$500.00 fee immediately upon execution of the agreement to the Authority, and, (ii) thereafter, the Recipient shall pay annually to the Authority 1% of the Grant Payment for the duration of the Grant Period. The Authority will invoice the Recipient on or before October 1 of each year and the Recipient shall remit payment within 30 days of issuance of the invoice.

### **2.2 Completion of Project Construction or Rehabilitation; Timeline.**

**2.2.1 Plan of Development.** Recipient shall submit a Plan of Development or similar permit submission for the Project to the City's Director of Planning and Development Review no later than nine (9) months of the Effective Date, which shall comply with the relevant provisions of the Richmond City Code and shall contain all elements of the Project as defined herein.

**2.2.2 Commencement of the Project Construction or Rehabilitation.** Recipient shall commence construction or rehabilitation of the Project within eighteen (18) months of the Effective Date, (the "Construction Commencement Date"), which shall be evidenced by the issuance of all permits necessary for the commencement of construction or rehabilitation of the Project.

**2.2.3 Completion of Project Construction or Rehabilitation.** Recipient shall complete the Project within five (5) years of the Construction Commencement Date, which shall be evidenced by the issuance of a temporary certificate of occupancy for the Project.<sup>1</sup>

**2.2.4 Failure to Comply.** If the Recipient fails to timely comply with any of the provisions of this Section 2.2 then the City's Chief Administrative Officer ("CAO"), in his sole discretion, may either extend the time by which Recipient must comply with the corresponding requirement or provide written notice of the City's intent to terminate this Agreement. If Recipient fails to cure its failure to comply within sixty (60) days of such written notice then this Agreement, including all rights and obligations herein, shall, upon the City's election and subject to the rights of a Mortgagee under Section 6.3 hereof, terminate and neither the City nor the Authority shall have any further obligation to the Recipient and Recipient shall no longer be eligible for any Grant Payments hereunder.

## **2.3 Continued Maintenance and Operation of Project.**

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<sup>1</sup> Pending direction from DCAO [three (3) years, with the following language "Notwithstanding the foregoing, if the State Housing Financing Agency authorizes an extension of the date by which the Project must be placed-in-service, the City agrees to extend the construction deadline described in this Section 2.2.3, *pari passu.*"]

**2.3.1 Continued Control of the Project by Recipient.** Recipient shall continue to own, lease, or otherwise control the Site until completion of Project construction or rehabilitation pursuant to Section 2.2.3 of this Agreement and thereafter shall continue to own, lease, or otherwise control the Project until expiration of the Grant Period. Notwithstanding the foregoing, Recipient may transfer the ownership or control interest in the Project to third parties (“Transferee”), and Recipient may (1) assign this Agreement, including the rights and obligations herein to such party or parties at the time it transfers ownership or control of the Project (including any leasehold interests), and (2) if this Agreement is assigned, Recipient shall provide the City and Authority 30 days’ prior written notice of its intent to transfer ownership or control of the Project, which notice shall include the contemplated date of transfer, the name of the party or parties to which it intends to transfer, and a written statement from such party that it is aware that this Agreement, including the rights and obligations herein, will be assigned to such party. Following the transfer of ownership or control in the Project to the Transferee as provided above, the term “Recipient” as used herein shall mean the Transferee. For the avoidance of doubt, this Section 2.3.1 shall not apply to any transfer by foreclosure or deed-in-lieu of foreclosure or to any transfer of interests in Recipient or the exercise by Investor of its rights to remove the general partner or managing member of Recipient and any such transfer shall not require notice to nor the consent of the City or Authority.

**2.3.2 Continued Maintenance and Operation of the Project.** Following Recipient’s completion of Project construction or rehabilitation as set forth in Section 2.2.3 of this Agreement, the Recipient shall continue to Maintain the Project until the expiration of the Grant Period.

## **2.4 MBE Participation.**

**2.4.1 Goal.** The Recipient agrees to diligently work towards the following goal: Where capacity, capability and competitive pricing among minority business enterprises and emerging small businesses exists, 30% of all expenditures for those construction or rehabilitation costs of the Project that will be paid to third party subcontractors unaffiliated with the Recipient will be spent with minority business enterprises and emerging small businesses that perform commercially useful functions with regard to the prosecution and completion of the Project. The terms "minority business enterprise" and “emerging small business” have the meaning ascribed to them in Chapter 21 of the City Code. The Recipient shall include this goal in its contracts with all assignees, contractors and subcontractors who will be providing any portion of the Project.

**2.4.2 Reporting.** To enable the City to measure the achievements of the Recipient and its assignees, contractors and subcontractors with regard to the participation goals set forth above, during the period prior to completion of Project construction or rehabilitation, the Recipient shall submit a report upon request detailing all expenditures with minority business enterprises and emerging small businesses, showing, at a minimum, (i) the name of the business, (ii) an itemization of what the business provided, (iii) the amount paid for each item, (iv) the total amount of spending to date with minority business enterprises and emerging small businesses and (v) the percentage of total expenditures for the quarter spent with minority business enterprises and emerging small businesses. If the City chooses, the Recipient shall submit these reports on forms prescribed by the City. The City will use these reports in evaluating the good faith minority business enterprise and emerging small

business participation efforts, as defined in Section 21-4 of the City Code, of the Recipient and its assignees, contractors, and subcontractors that compete for City contracts.

## **2.5 Affordable Housing.**

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

## **2.6 Continued Investment and Capital Improvements**

For purposes of continued investment and upkeep of the Project to the benefit of its tenants, payment of Grant Payments subsequent to the initial fifteen (15) years of the Grant Period shall be contingent upon receipt of proof that the Recipient has made capital improvements to the Project in an aggregate amount of Two Million Seven Hundred and Sixty Thousand and No/100 Dollars (\$2,760,000.00) since the Grant Commencement Date. On each fifth anniversary of the Grant Commencement Date, the Recipient shall upon request submit a report of capital improvements made to the Project since the Grant Commencement Date.

## **Section 3. Disbursement of Grant.**

**3.1. Grant.** During the Grant Period, the City shall pay to Recipient (or such party to which Recipient has assigned Grant Payments pursuant to Section 9.1 of this Agreement), through the Authority, the Grant Payments for such real estate tax year subject to the provisions of this Section 3.

**3.2. Grant Payment Requests.** The Recipient shall submit each Grant Payment Request to the CAO, with copies to the Department of Economic and Community Development, the Authority, and the Office of the City Attorney at the respective addresses set forth in Section 8.

**3.3. Disbursement of Grant Payment.** Upon receipt of a Grant Payment Request, the City shall review the accuracy of the request. The City shall not make a Grant Payment if Recipient did not make full and timely payment (except when all penalties and interest for late payment have been paid in accordance with any applicable provisions of the Richmond City Code), of the Real Estate Tax Levy for the applicable installment and shall not make a Grant Payment if Recipient is delinquent in payment (except when all penalties and interest for late payment have been paid in accordance with any applicable provision of the Richmond City Code) of any other taxes levied by the City for the Project. Within fifteen (15) business days of receipt of a Grant Payment Request, the City shall notify Recipient either that (1) the City denies the request and will not make a Grant Payment for the foregoing reasons, (2) the City approves the request and intends to make a Grant Payment in the amount requested, or (3) the City approves making a payment to Recipient but in a different amount than the amount requested because the amount requested is inconsistent

with this Agreement, in which case the City shall indicate the correct Grant Payment amount it intends to make. Notwithstanding the foregoing, the City's failure to respond within fifteen (15) business days shall not constitute approval of a requested Grant Payment and the Recipient shall not be entitled to any such payment due solely to the City's failure to timely respond. Subject to any necessary City Council action, including any necessary budget amendment or appropriation of funds, the City agrees to, within fifteen (15) business days of the City's approval of any Grant Payment, transfer the funds for the Grant Payment to the Authority. The Authority agrees, subject to any necessary approvals by its Board of Directors, to pay the Grant Payment to Recipient (or such party to which Recipient has assigned Grant Payments pursuant to Section 9.1 of this Agreement), within fifteen (15) business days of receipt of the funds from the City.

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

#### **Section 4. General Administration of Grant**

**4.1** The City agrees to transfer to the Authority, as and when appropriated by the City Council, the funds necessary for the Authority to meet its obligations under this Agreement relating to the Grant. No administrative fees or expenses shall be paid by the City.

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

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

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

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

**4.6** The Authority shall keep records of its financial transactions, if any, related to this Agreement in accordance with generally accepted accounting principles. The City Auditor or his designee may at any time audit the financial transactions undertaken under this Agreement. The Authority shall cooperate to ensure that the City Auditor is granted



reasonable access on a timely basis to all books and records of the Authority necessary to complete such audits.

**4.7** The Authority shall not be required to furnish the City a blanket corporate fidelity bond with surety.

## **Section 5. Representations of the Recipient**

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

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

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

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

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

## **Section 6. Default.**

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

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

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

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

**6.2 Effect of Event of Default.** Subject to Section 6.3 below, in the case of an occurrence of an Event of Default, the Grant provisions of Section 3 of this Agreement shall, at the City's option, terminate thirty (30) days after the City's notice to Recipient, each Mortgagee and Investor, unless Recipient cures the Event of Default to the City's satisfaction within such thirty (30) days, and neither the City nor the Authority shall have any further obligation relating thereto and the Recipient shall no longer be eligible for any Grant Payments hereunder.

**6.3 Notice and Right to Cure.** Written notice of any default by Recipient under this Agreement shall be provided simultaneously to any Mortgagee and Investor. Each Mortgagee and the Investor shall be permitted to cure any default by Recipient under this Agreement. Such Mortgagees and Investor shall have the same period, after the giving of such notice upon it, for

remedying any default or causing the same to be remedied, as is given Recipient after the giving of such notice to Recipient, plus an additional thirty (30) days, to remedy, commence remedying or cause to be remedied the defaults specified in any such notice. If the default cannot be reasonably cured within thirty (30) days, then the Mortgagee or Investor, as applicable, shall have such additional time as it shall reasonably require so long as the Mortgagee or Investor, as applicable, is proceeding with reasonable diligence to cure the default. The City and the Authority each agree to accept payment or performance by any Mortgagee or Investor as though the same had been done by Recipient.

## **Section 7. Recipient Reporting.**

The Recipient shall provide, at Recipient's expense, detailed updates and verification reasonably satisfactory to the City of Recipient's progress regarding completion of Project construction or rehabilitation and, following Project construction or rehabilitation, of Recipient's continued compliance with Section 2.3 of this Agreement.

## **Section 8. Notices.**

Any notices required or permitted under this Agreement shall be given in writing, and shall be deemed to be received upon receipt or refusal after mailing of the same in the United States Mail by certified mail, postage fully pre-paid or by overnight courier (refusal shall mean return of certified mail or overnight courier package not accepted by the addressee):

if to the Recipient, to:

Walmsley Gardens, LLC  
2601 Broad Street, Suite 201  
Richmond, VA 23220  
Attention: Zachery Frederick

with a copy to:

Williams Mullen  
200 South 10<sup>th</sup> Street, Suite 1600  
Richmond, VA 23219  
Attention: T. Preston Lloyd, Jr., Esq.


if to Mortgagee, to:

Bank of America, N.A.  
Mail Code: DC1-842-06-04  
1800 K Street, NW, 6th Floor  
Washington, DC 20006  
Attention: Loan Administration Manager

with a copy to:

Tiber Hudson LLC  
1340 Smith Avenue, Suite 200  
Baltimore, MD 21209  
Attention: Krista North, Esq.

if to Investor, to:

Red Stone Equity – Fund  Limited Partnership  
c/o Red Stone Equity Partners, LLC  
90 Park Avenue, 28th Floor  
New York, NY 10016  
Attention: General Counsel and President

with a copy to:

Applegate & Thorne-Thomsen, P.C.  
425 S. Financial Place, Suite 1900  
Chicago, IL 60605  
Attention: Bennett P. Applegate, Esq.

if to the City, to:

Chief Administrative Officer  
City of Richmond, Virginia

with a copy to:

Department of Economic Development  
City of Richmond, Virginia

900 East Broad Street Suite 201  
Richmond, VA 23219

1500 East Main Street  
Richmond, VA 23219

if to the Authority, to:

Economic Development Authority  
of Richmond VA – Attn: Chairman  
501 East Franklin Street  
Richmond, VA 23219

with a copy to:

City Attorney  
City of Richmond, Virginia  
900 East Broad Street Suite 300  
Richmond, VA 23219

## **Section 9. General Terms and Conditions.**

**9.1 Entire Agreement; Amendments; Assignments.** This Agreement constitutes the entire agreement among the parties hereto and may not be amended or modified, except in writing, signed by each of the parties hereto, and subject to the prior written consent of each Mortgage and Investor. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, including, without limitation, a Mortgagee or its designee upon a foreclosure or deed-in-lieu of foreclosure of the Site or the Project; provided, however, that in no event may this Agreement or any of the rights, benefits, duties, or obligations of the parties hereto be assigned, transferred or otherwise disposed of without the prior written consent of the other, which consent neither party shall be obligated to give, except that Recipient may assign its right to receive payment to another entity authorized to transact business in Virginia by furnishing the City and the Authority with notice identifying the entity and providing both contact and payment information in a form acceptable to the City and the Authority. Notwithstanding anything to the contrary herein, (a) Recipient shall have the right to assign its interest in the Site and Project to any future owner provided the Recipient first shall have complied with the requirements set forth in Section 2.3.1 of this Agreement and shall have submitted to the City the form of all instruments by which it purports to make such assignment and shall have obtained the City's prior written approval thereof, which approval shall not be unreasonably withheld, in which event the assignor shall be released from all obligations and liabilities under this Agreement; and (b) Recipient shall have the right to grant to a Mortgagee a security interest in, and assignment of, Recipient's rights hereunder as collateral for the loan to be provided by such Mortgagee for the development of the Project, and any action taken by such Mortgagee to realize on such security interest or assignment and performance thereafter shall be deemed permitted under this Agreement, provided the Recipient first shall have submitted to the City the form of all instruments by which it purports to grant such security interest and assignment and shall have obtained the City's prior written approval thereof, which approval shall not be unreasonably withheld. Neither the City's nor Authority's consent shall be required to the exercise by Mortgagee or any assignee of Mortgagee of its right to perform Recipient's obligations hereunder after a default by Recipient under the applicable loan documents. The City agrees that Mortgagee shall not have any liability for any act or omission of Recipient hereunder and shall only be liable hereunder for obligations arising during such time as it is the owner of Recipient's interests in the Site and Project pursuant to foreclosure, deed in lieu of foreclosure or otherwise. For the avoidance of doubt, no transfer by foreclosure or deed-in-lieu of foreclosure pursuant to a Mortgage and no transfer of interests in Recipient or the exercise by Investor of its rights to remove the general partner or managing member of Recipient shall require notice to or the approval of the City or Authority.

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

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

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

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

**9.6 Public Disclosure.**

**9.6.1 Applicable Law.** The parties to this Agreement acknowledge that records maintained by or in the custody of the City and the Authority are subject to the provisions of the Virginia Public Records Act, Va. Code §§ 42.1-76 through 42.1-90.1, and the Virginia Freedom of Information Act, Va. Code §§ 2.2-3700 through 2.2-37 14 and thus are subject to the records retention and public disclosure requirements set forth in those statutes.

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

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

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

**9.9 No Partnership or Joint Venture.** It is mutually understood and agreed that nothing contained in this Agreement is intended or shall be construed in any manner or under any circumstance whatsoever as creating and establishing the relationship of copartners or creating or establishing a joint venture between or among any of the parties or as designating any party to this Agreement as the agent or representative of any other party to this Agreement for any purpose.

**9.10 No Third-Party Beneficiaries.** Except as otherwise provided in Section 9.1 of this Agreement, the parties agree that except for any Mortgagee and Investor (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Agreement; (ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the City, the Authority, or the Recipient; (iii) no other individual or entity shall obtain any right to make any claim against the City, the Authority, or the Recipient under the provisions of this Agreement; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. Each Mortgagee and Investor shall be a third-party beneficiary of this Agreement.

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

**SIGNATURE PAGE TO FOLLOW**



## **EXHIBIT A**

### **Affordable Housing Schedule**

The Project shall restrict occupancy and rents to an average income designation of 60% of AMI, according to standards promulgated by the State Housing Finance Agency, for a minimum of thirty (30) years.

**EXHIBIT B**

**Boundary Line Plat**

**[please see attached]**



## EXHIBIT C

### Legal Description of Site

BEGINNING at a point on the northern boundary of the right of way line of Walmsley Boulevard (VA State Route #647), said point being 764.00 feet west of the point of intersection of the western boundary of the right of way line of Broad Rock Boulevard (VA State Route #10) and the northern boundary of the right of way line of Walmsley Boulevard;

Thence proceeding along the northern boundary of the right of way line of Walmsley Boulevard in a northeasterly direction the following two (2) courses and distances:

- 1) Along a curve to the left having a radius of 5428.20 feet, a delta angle of 01°00'12" and an arc length of 95.07 feet to a point;
- 2) Thence along a curve to the right having a radius of 7592.44 feet, a delta angle of 00°12'15" and an arc length of 27.06 feet to a point;

Thence leaving the northern boundary of the right of way line of Walmsley Boulevard and proceeding in a northwesterly direction the following twenty-four (24) courses and distances:

- 1) Thence N 02°25'51" W 241.06 feet to a point;
- 2) Thence S 86°49'46" W 30.18 feet to a point;
- 3) Thence N 02°25'51" W 150.41 feet to a point;
- 4) Thence N 00°37'19" W 155.60 feet to a point;
- 5) Thence N 70°31'38" W 232.55 feet to a point;
- 6) Thence N 06°19'34" W 359.62 feet to a point;
- 7) Thence N 51°03'10" E 453.69 feet to a point;
- 8) Thence S 13°09'16" W 151.16 feet to a point;
- 9) Thence S 03°37'09" W 228.95 feet to a point;
- 10) Thence S 05°01'45" W 45.14 feet to a point;
- 11) Thence S 04°13'52" E 147.58 feet to a point;
- 12) Thence S 80°24'25" E 101.74 feet to a point;
- 13) Thence S 09°35'35" W 65.00 feet to a point;
- 14) Thence S 80°24'25" E 267.80 feet to a point;
- 15) Thence S 09°35'35" W 49.91 feet to a point;
- 16) Thence along a curve to the left having a radius of 287.11 feet, a delta angle of 03°58'48" and an arc length of 19.94 feet to a point;
- 17) Thence S 06°37'00" W 80.71 feet to a point;
- 18) Thence along a curve to the left having a radius of 100.00 feet, a delta angle of 19°44'18" and an arc length of 34.45 feet to a point;
- 19) Thence S 03°19'59" E 69.37 feet to a point;
- 20) Thence S 01°07'02" E 193.47 feet to a point;
- 21) Thence N 90°00'00" W 144.00 feet to a point;
- 22) Thence S 40°27'01" W 85.87 feet to a point;
- 23) Thence S 12°57'41" W 66.76 feet to a point;
- 24) Thence along a curve to the right having a radius of 34.50 feet, a delta angle of 38°57'10" and an arc length of 23.46 feet to a point on the northern boundary of the right of way line of Walmsley Boulevard, said Point being the Point and Place of Beginning, containing 8.363 acres, more or less.

INTRODUCED: June 10, 2024

AN ORDINANCE No. 2024-165

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Grant Agreement between the City of Richmond, Walmsley Senior, LLC, and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of an affordable residential development located at 4824, 4838, 4850, 4870, and 4890 Walmsley Boulevard. (9<sup>th</sup> District)

\_\_\_\_\_  
Patron – Mayor Stoney  
\_\_\_\_\_

Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: JUNE 24 2024 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute a Grant Agreement between the City of Richmond, Walmsley Senior, LLC, and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of an affordable residential development located 4824, 4838, 4850, 4870, and 4890 Walmsley Boulevard. The Grant Agreement shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this

AYES: \_\_\_\_\_ NOES: \_\_\_\_\_ ABSTAIN: \_\_\_\_\_

ADOPTED: \_\_\_\_\_ REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

ordinance.

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

APPROVED AS TO FORM:

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CITY ATTORNEY'S OFFICE



# City of Richmond

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

## Master

**File Number: Admin-2024-0590**

**File ID:** Admin-2024-0590

**Type:** Request for Ordinance or Resolution

**Status:** Regular Agenda

**Version:** 1

**Reference:**

**In Control:** City Clerk Waiting Room

**Department:**

**Cost:**

**File Created:** 06/06/2024

**Subject:** Performance Grants-Affordable Housing Development

**Final Action:**

**Title:**

**Internal Notes:** Affordable housing development project-Performance Grant.

**Code Sections:**

**Agenda Date:** 06/10/2024

**Indexes:**

**Agenda Number:**

**Patron(s):**

**Enactment Date:**

**Attachments:** Admin-2024-0590 Ordinance Walmsley Senior Performance Agreement AATF (signed), Admin-2024-0590 EDA Affordable Housing Performance Grant Agreement - Walmsley Senior - AATF

**Enactment Number:**

**Contact:**

**Introduction Date:**

**Drafter:** Michelle.Peters@rva.gov

**Effective Date:**

**Related Files:**

## Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	6/7/2024	Leonard Sledge	Delegated	
1	2	6/7/2024	Sharon Ebert	Approve	6/11/2024
1	3	6/7/2024	Alecia Blackwell - FYI	Notified - FYI	
1	4	6/7/2024	Sharon Ebert	Approve	6/11/2024
1	5	6/7/2024	Meghan Brown	Approve	6/11/2024
1	6	6/7/2024	Sheila White	Approve	6/11/2024
1	7	6/7/2024	Cynthia Osborne - FYI	Notified - FYI	
1	8	6/7/2024	Sabrina Joy-Hogg	Approve	6/11/2024
1	9	6/7/2024	Caitlin Sedano - FYI	Notified - FYI	
1	10	6/7/2024	Jeff Gray	Approve	6/11/2024
1	11	6/7/2024	Lincoln Saunders	Approve	6/11/2024
1	12	6/7/2024	Mayor Stoney	Approve	6/11/2024

## History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

**Text of Legislative File Admin-2024-0590**

**City of Richmond**  
Intracity Correspondence

**O&R Request**

**DATE:** June 6, 2024

**THROUGH:** The Honorable Levar M. Stoney, Mayor

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

**THROUGH:** Sabrina Joy-Hogg, DCAO - Finance & Administration

**THROUGH:** Sheila White, Director of Finance

**THROUGH:** Meghan Brown, Director of Budget & Strategic

Planning

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

**THROUGH:** Leonard Sledge, Director of Economic Development

**FROM:** Merrick Malone, Acting Director of Housing and Community

**RE:** Approval of one (1) Performance Grant for an Affordable Housing Development Project

**ORD. OR RES. No.**

**PURPOSE:** To authorize the Chief Administrative Officer (“CAO”) to execute, for and on behalf of the City of Richmond (“City”), the Grant Agreements attached hereto by and between the City, the Economic Development Authority (“EDA”), and the following recipients:

- Walmsley Senior, LLC

**REASON:** Council approval is necessary to authorize the City’s execution of the Grant Agreement.

**RECOMMENDATION:** The City Administration recommends approval.

**BACKGROUND:** In 2022, the Virginia General Assembly approved HB1194, which amended Ch. 49, Title 15.2 of the Code of Virginia for the purpose of authorizing industrial/economic development authorities “to make grants associated with the construction of affordable housing in order to promote safe and affordable housing in the Commonwealth.”

These Grant Agreements will induce the Recipients to construct and operate development projects (the “Project”) that will result in significant investment and economic development on the sites located at the identified addresses in **Attachment A** and will promote safe and affordable housing in the City, and result in substantial benefits to the welfare of the City and its inhabitants, as well as is in the public interest, and serves governmental interests:

Grant payments will be solely limited to incremental real estate tax revenues generated by the Project and received by the City and such payments will be conditioned upon the Recipients’ completion of Project construction and continued maintenance thereafter. To qualify for grant payments, the Projects each must include at least the number of residential units that restrict occupancy and rents to identified AMIs, according to standards promulgated by the State Housing Finance Agency (i.e., Virginia Housing), for a minimum of thirty (30) years. See **Attachment A**.

**FISCAL IMPACT / COST:** No direct fiscal impact to the baseline of current real estate tax revenues received by the City for such properties as the grant payments are solely limited to incremental tax revenues above and beyond such respective baselines.

**FISCAL IMPLICATIONS:** The approval of these performance grants will allow the City to meet one of its main affordable housing goals, and the new housing units produced are direly needed as the City recently declared a “housing crisis”. There are no direct fiscal implications as the grant payments are solely limited to incremental tax revenues above and beyond the identified baselines of current real estate tax revenues received by the City for such baselines for each of the projects.

**BUDGET AMENDMENT NECESSARY:** None

**REVENUE TO CITY:** N/A

**DESIRED EFFECTIVE DATE:** Upon adoption

**REQUESTED INTRODUCTION DATE:** June 10, 2024

**CITY COUNCIL PUBLIC HEARING DATE:** June 24, 2204

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Finance & Economic Development

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** N/A

**AFFECTED AGENCIES:** Housing & Community Development,  
Economic Development, Finance, Budget, City Attorney's Office

**RELATIONSHIP TO EXISTING ORD. OR RES.:** N/A

**REQUIRED CHANGES TO WORK PROGRAM(S):** None

**ATTACHMENTS:** Grant Agreement for proposed recipient.

**STAFF:**

Merrick Malone, Acting Director, HCD

Leonard Sledge, Director of Economic Development



## GRANT AGREEMENT

This **GRANT AGREEMENT** (this “Agreement”) is made and entered this \_\_\_\_ day of \_\_\_\_, 2024 (the “Effective Date”), by and among the **CITY OF RICHMOND, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia (the “City”), **WALMSLEY SENIOR LLC**, a Virginia limited liability company, or its assigns or successors (the “Recipient”), and the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND**, a political subdivision of the Commonwealth of Virginia (the “Authority”).

### RECITALS

- A. The Recipient plans to develop and operate on the Site, as defined below, the Project, as defined below.
- B. In connection with its development of the Project, Recipient intends to divide the Assemblage and create the Site, whereupon the Site will be designated as a parcel in the tax records of the City and assigned a tax parcel identification number.
- C. The City and the Authority have determined that the Project will result in significant investment and economic development on the Site, will promote safe and affordable housing in the City of Richmond, will result in substantial benefits to the welfare of the City and its inhabitants, is in the public interest, and serves governmental interests.
- D. The City plans to fund an economic development monetary grant (the “Grant”) by the Authority to the Recipient for the purpose of inducing the Recipient to construct and operate the Project in the City of Richmond.
- E. Payment of the Grant will be conditioned upon the Recipient’s completion of Project construction or rehabilitation and continued maintenance of the Project, as defined herein, and the funds comprising payments of the Grant will be solely limited to a portion of the incremental real estate tax revenues for the Site generated by the Project (i.e., including both the fee interest (and leasehold interest, if applicable) in the land and all improvements), all as set forth herein.
- F. The City is authorized by Section 15.2-953 of the Code of Virginia and other laws, and the Authority is authorized by the Industrial Development and Revenue Bond Act, contained in Chapter 49, Title 15.2 of the Code of Virginia and other laws to perform the activities contemplated in this Agreement. The Authority is authorized by the Code of Virginia to make grants to non-public organizations such as Recipient in furtherance of the purpose of promoting economic development and affordable housing.
- G. This Agreement sets forth the understanding of the parties concerning the Recipient’s obligations, the Authority’s obligations, and the incentives offered by the City, subject to the approval of the Authority’s Board and the Richmond City Council and subject to appropriations.

**NOW, THEREFORE**, in consideration of the foregoing, the mutual benefits, promises and

undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows.

## **Section 1. Preliminary Provisions**

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

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

“AMI” means area median gross income for the Richmond-Petersburg Metropolitan Statistical Area for the applicable year of the Grant Period.

“Assemblage” means, collectively, that certain real property comprised of (i) those certain parcels of 0.299 and 0.381 acres currently owned by Kim China Ha, located respectively at 4818 and 4830 Walmsley Boulevard and currently referred to in the records of the City Assessor as Parcel Nos. C0080745024 and C0080745028; and (ii) those certain parcels of 0.303; 0.362; 2.98; 2.01; and 4.184 acres currently owned by KCH Total Management, LLC, located respectively at 4824, 4838, 4850, 4870 and 4890 Walmsley Boulevard and currently referred to in the records of the City Assessor as Parcel Nos. C0080745026; C0080745030; C0080745031; C0080745032; and C0080745033.

“Base Real Estate Tax Revenue” means \$4,754.40 per year, being the amount equal to the real estate taxes levied on the Site for the current tax year as of the Grant Commencement Date. For the avoidance of doubt, the Base Real Estate Tax Revenue is calculated based on the tax rate of \$1.20 per every \$100.00 of assessment value attributed to the portions of the Assemblage that comprise the Site, with thirty percent (30.0%) of the real estate taxes levied on Parcel No. C0080745031 included in the figure above.

“Grant” has the meaning set forth in the recitals of this Agreement.

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

“Grant Payment Request” means a written request for a Grant Payment, which shall include (1) documentation showing its full payment of the Real Estate Tax Levy (including all applicable penalties and interest), and (2) the amount of the requested Grant Payment and explanation of the calculation thereof (i.e., Real Estate Tax Levy *minus* Base Real Estate Tax Revenue *equals* Incremental Real Estate Tax Revenue, as pro-rated for the applicable installment period).

“Grant Period” means that certain period commencing upon January 1<sup>st</sup> of the first real estate tax year following Recipient’s completion of Project construction or rehabilitation, as shall be evidenced by receipt of a temporary Certificate of Occupancy (“Grant Commencement Date”) and

ending on last day of the thirtieth (30th) real estate tax year following the Grant Commencement Date (“Grant Expiration Date”). The parties acknowledge that the “Real Estate Tax Levy” for the last year of the Grant Period may not be received by the City until after the Grant Expiration Date, and that a Grant Payment shall be paid to the Recipient corresponding to such Real Estate Tax Levy.

“Grant Management Fee” means one time non-refundable fee and an annual payment equal to 1% of the Grant Payment to cover the administrative expenses of the Authority for managing the Grant during the Grant Period.

“Incremental Real Estate Tax Revenue” means, for each applicable real estate tax year during the Grant Period, the amount by which the Real Estate Tax Levy exceeds the Base Real Estate Tax Revenue, provided the Recipient pays the Real Estate Tax Levy to the City in full (including any applicable penalties and interest for late payment in accordance with any applicable provision of the Richmond City Code), subject to the applicable cure periods. The Parties acknowledge that the Real Estate Tax Levy is and may in the future be billed and due in installments (currently twice a year); therefore, as used herein “Incremental Real Estate Tax Revenue” shall be determined based on the applicable payment (or installment) of the Real Estate Tax Levy for each applicable real estate tax year.

“Investor” means Red Stone Equity – Fund [REDACTED] Limited Partnership.

“Land Records” means the Clerk’s Office of the Circuit Court of the City of Richmond, Virginia.

“Maintain” means the Recipient’s continued maintenance and operation of the Project following completion of Project construction or rehabilitation, as set forth by Section 2.3.2 of this Agreement.

“Mortgage” means any mortgage, deed of trust, deed to secure debt or other similar instrument created for the purpose of securing indebtedness of Recipient, and recorded among the Land Records, or any mortgage, deed of trust, deed to secure debt or other similar instrument created for the purposes of refinancing such indebtedness and recorded among the Land Records.

“Mortgagee” means the secured party under a Mortgage.

“Project” means a development on the Site containing not less than 128 residential units, subject to income and rent restrictions as shown on Exhibit A and monitored by the State Housing Finance Agency.

“Real Estate Tax Levy” means the amount of real estate taxes levied by the City on the Site (including both the fee interest (and leasehold interest, if applicable) and Project (i.e., including land and all improvements) for a given real estate tax year, pursuant to Chapter 26 of the Code for the City of Richmond (“City Code”).

“Site” means, that certain parcel of 2.179 acres, shown as Parcel A on that certain “*Boundary Line Adjustment Plat Between Seven Parcels of Land Located Along the North Line of Walmsley Boulevard City of Richmond, Virginia*” dated May 8, 2024, prepared by Shadrach & Associates LLC, and attached hereto as Exhibit B, and as more particularly described in Exhibit C.

“State Housing Finance Agency” means Virginia Housing (formerly known as Virginia

Housing Development Authority), a political subdivision of the Commonwealth of Virginia, or its successor.

## **Section 2. Recipient's Obligations**

### **2.1 Grant Management Fee.**

The Recipient shall pay a Grant Management Fee consisting of (i) a one-time, non-refundable \$500.00 fee immediately upon execution of the agreement to the Authority, and, (ii) thereafter, the Recipient shall pay annually to the Authority 1% of the Grant Payment for the duration of the Grant Period. The Authority will invoice the Recipient on or before October 1 of each year and the Recipient shall remit payment within 30 days of issuance of the invoice.

### **2.2 Completion of Project Construction or Rehabilitation; Timeline.**

**2.2.1 Plan of Development.** Recipient shall submit a Plan of Development or similar permit submission for the Project to the City's Director of Planning and Development Review no later than nine (9) months of the Effective Date, which shall comply with the relevant provisions of the Richmond City Code and shall contain all elements of the Project as defined herein.

**2.2.2 Commencement of the Project Construction or Rehabilitation.** Recipient shall commence construction or rehabilitation of the Project within eighteen (18) months of the Effective Date, (the "Construction Commencement Date"), which shall be evidenced by the issuance of all permits necessary for the commencement of construction or rehabilitation of the Project.

**2.2.3 Completion of Project Construction or Rehabilitation.** Recipient shall complete the Project within five (5) years of the Construction Commencement Date, which shall be evidenced by the issuance of a temporary certificate of occupancy for the Project.<sup>1</sup>

**2.2.4 Failure to Comply.** If the Recipient fails to timely comply with any of the provisions of this Section 2.2 then the City's Chief Administrative Officer ("CAO"), in his sole discretion, may either extend the time by which Recipient must comply with the corresponding requirement or provide written notice of the City's intent to terminate this Agreement. If Recipient fails to cure its failure to comply within sixty (60) days of such written notice then this Agreement, including all rights and obligations herein, shall, upon the City's election and subject to the rights of a Mortgagee under Section 6.3 hereof, terminate and neither the City nor the Authority shall have any further obligation to the Recipient and Recipient shall no longer be eligible for any Grant Payments hereunder.

## **2.3 Continued Maintenance and Operation of Project.**

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<sup>1</sup> Pending direction from DCAO [three (3) years, with the following language "Notwithstanding the foregoing, if the State Housing Financing Agency authorizes an extension of the date by which the Project must be placed-in-service, the City agrees to extend the construction deadline described in this Section 2.2.3, *pari passu.*"]

**2.3.1 Continued Control of the Project by Recipient.** Recipient shall continue to own, lease, or otherwise control the Site until completion of Project construction or rehabilitation pursuant to Section 2.2.3 of this Agreement and thereafter shall continue to own, lease, or otherwise control the Project until expiration of the Grant Period. Notwithstanding the foregoing, Recipient may transfer the ownership or control interest in the Project to third parties (“Transferee”), and Recipient may (1) assign this Agreement, including the rights and obligations herein to such party or parties at the time it transfers ownership or control of the Project (including any leasehold interests), and (2) if this Agreement is assigned, Recipient shall provide the City and Authority 30 days’ prior written notice of its intent to transfer ownership or control of the Project, which notice shall include the contemplated date of transfer, the name of the party or parties to which it intends to transfer, and a written statement from such party that it is aware that this Agreement, including the rights and obligations herein, will be assigned to such party. Following the transfer of ownership or control in the Project to the Transferee as provided above, the term “Recipient” as used herein shall mean the Transferee. For the avoidance of doubt, this Section 2.3.1 shall not apply to any transfer by foreclosure or deed-in-lieu of foreclosure or to any transfer of interests in Recipient or the exercise by Investor of its rights to remove the general partner or managing member of Recipient and any such transfer shall not require notice to nor the consent of the City or Authority.

**2.3.2 Continued Maintenance and Operation of the Project.** Following Recipient’s completion of Project construction or rehabilitation as set forth in Section 2.2.3 of this Agreement, the Recipient shall continue to Maintain the Project until the expiration of the Grant Period.

## **2.4 MBE Participation.**

**2.4.1 Goal.** The Recipient agrees to diligently work towards the following goal: Where capacity, capability and competitive pricing among minority business enterprises and emerging small businesses exists, 30% of all expenditures for those construction or rehabilitation costs of the Project that will be paid to third party subcontractors unaffiliated with the Recipient will be spent with minority business enterprises and emerging small businesses that perform commercially useful functions with regard to the prosecution and completion of the Project. The terms "minority business enterprise" and “emerging small business” have the meaning ascribed to them in Chapter 21 of the City Code. The Recipient shall include this goal in its contracts with all assignees, contractors and subcontractors who will be providing any portion of the Project.

**2.4.2 Reporting.** To enable the City to measure the achievements of the Recipient and its assignees, contractors and subcontractors with regard to the participation goals set forth above, during the period prior to completion of Project construction or rehabilitation, the Recipient shall submit a report upon request detailing all expenditures with minority business enterprises and emerging small businesses, showing, at a minimum, (i) the name of the business, (ii) an itemization of what the business provided, (iii) the amount paid for each item, (iv) the total amount of spending to date with minority business enterprises and emerging small businesses and (v) the percentage of total expenditures for the quarter spent with minority business enterprises and emerging small businesses. If the City chooses, the Recipient shall submit these reports on forms prescribed by the City. The City will use these reports in evaluating the good faith minority business enterprise and emerging small

business participation efforts, as defined in Section 21-4 of the City Code, of the Recipient and its assignees, contractors, and subcontractors that compete for City contracts.

## **2.5 Affordable Housing.**

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

## **2.6 Continued Investment and Capital Improvements**

For purposes of continued investment and upkeep of the Project to the benefit of its tenants, payment of Grant Payments subsequent to the initial fifteen (15) years of the Grant Period shall be contingent upon receipt of proof that the Recipient has made capital improvements to the Project in an aggregate amount of **[XXX and No/100 Dollars (\$XXX.00)]** since the Grant Commencement Date. On each fifth anniversary of the Grant Commencement Date, the Recipient shall upon request submit a report of capital improvements made to the Project since the Grant Commencement Date.

## **Section 3. Disbursement of Grant.**

**3.1. Grant.** During the Grant Period, the City shall pay to Recipient (or such party to which Recipient has assigned Grant Payments pursuant to Section 9.1 of this Agreement), through the Authority, the Grant Payments for such real estate tax year subject to the provisions of this Section 3.

**3.2. Grant Payment Requests.** The Recipient shall submit each Grant Payment Request to the CAO, with copies to the Department of Economic and Community Development, the Authority, and the Office of the City Attorney at the respective addresses set forth in Section 8.

**3.3. Disbursement of Grant Payment.** Upon receipt of a Grant Payment Request, the City shall review the accuracy of the request. The City shall not make a Grant Payment if Recipient did not make full and timely payment (except when all penalties and interest for late payment have been paid in accordance with any applicable provisions of the Richmond City Code), of the Real Estate Tax Levy for the applicable installment and shall not make a Grant Payment if Recipient is delinquent in payment (except when all penalties and interest for late payment have been paid in accordance with any applicable provision of the Richmond City Code) of any other taxes levied by the City for the Project. Within fifteen (15) business days of receipt of a Grant Payment Request, the City shall notify Recipient either that (1) the City denies the request and will not make a Grant Payment for the foregoing reasons, (2) the City approves the request and intends to make a Grant Payment in the amount requested, or (3) the City approves making a payment to Recipient but in a different amount than the amount requested because the amount requested is inconsistent

with this Agreement, in which case the City shall indicate the correct Grant Payment amount it intends to make. Notwithstanding the foregoing, the City's failure to respond within fifteen (15) business days shall not constitute approval of a requested Grant Payment and the Recipient shall not be entitled to any such payment due solely to the City's failure to timely respond. Subject to any necessary City Council action, including any necessary budget amendment or appropriation of funds, the City agrees to, within fifteen (15) business days of the City's approval of any Grant Payment, transfer the funds for the Grant Payment to the Authority. The Authority agrees, subject to any necessary approvals by its Board of Directors, to pay the Grant Payment to Recipient (or such party to which Recipient has assigned Grant Payments pursuant to Section 9.1 of this Agreement), within fifteen (15) business days of receipt of the funds from the City.

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

#### **Section 4. General Administration of Grant**

**4.1** The City agrees to transfer to the Authority, as and when appropriated by the City Council, the funds necessary for the Authority to meet its obligations under this Agreement relating to the Grant. No administrative fees or expenses shall be paid by the City.

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

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

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

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

**4.6** The Authority shall keep records of its financial transactions, if any, related to this Agreement in accordance with generally accepted accounting principles. The City Auditor or his designee may at any time audit the financial transactions undertaken under this Agreement. The Authority shall cooperate to ensure that the City Auditor is granted

reasonable access on a timely basis to all books and records of the Authority necessary to complete such audits.

**4.7** The Authority shall not be required to furnish the City a blanket corporate fidelity bond with surety.

## **Section 5. Representations of the Recipient**

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

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

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

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

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

## **Section 6. Default.**

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

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

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

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

**6.2 Effect of Event of Default.** Subject to Section 6.3 below, in the case of an occurrence of an Event of Default, the Grant provisions of Section 3 of this Agreement shall, at the City's option, terminate thirty (30) days after the City's notice to Recipient, each Mortgagee and Investor, unless Recipient cures the Event of Default to the City's satisfaction within such thirty (30) days, and neither the City nor the Authority shall have any further obligation relating thereto and the Recipient shall no longer be eligible for any Grant Payments hereunder.

**6.3 Notice and Right to Cure.** Written notice of any default by Recipient under this Agreement shall be provided simultaneously to any Mortgagee and Investor. Each Mortgagee and the Investor shall be permitted to cure any default by Recipient under this Agreement. Such Mortgagees and Investor shall have the same period, after the giving of such notice upon it, for



remedying any default or causing the same to be remedied, as is given Recipient after the giving of such notice to Recipient, plus an additional thirty (30) days, to remedy, commence remedying or cause to be remedied the defaults specified in any such notice. If the default cannot be reasonably cured within thirty (30) days, then the Mortgagee or Investor, as applicable, shall have such additional time as it shall reasonably require so long as the Mortgagee or Investor, as applicable, is proceeding with reasonable diligence to cure the default. The City and the Authority each agree to accept payment or performance by any Mortgagee or Investor as though the same had been done by Recipient.

## **Section 7. Recipient Reporting.**

The Recipient shall provide, at Recipient's expense, detailed updates and verification reasonably satisfactory to the City of Recipient's progress regarding completion of Project construction or rehabilitation and, following Project construction or rehabilitation, of Recipient's continued compliance with Section 2.3 of this Agreement.

## **Section 8. Notices.**

Any notices required or permitted under this Agreement shall be given in writing, and shall be deemed to be received upon receipt or refusal after mailing of the same in the United States Mail by certified mail, postage fully pre-paid or by overnight courier (refusal shall mean return of certified mail or overnight courier package not accepted by the addressee):

if to the Recipient, to:

Walmsley Senior LLC  
2601 Broad Street, Suite 201  
Richmond, VA 23220  
Attention: Zachery Frederick

with a copy to:

Williams Mullen  
200 South 10<sup>th</sup> Street, Suite 1600  
Richmond, VA 23219  
Attention: T. Preston Lloyd, Jr., Esq.

if to Mortgagee, to:

Bank of America, N.A.  
Mail Code: DC1-842-06-04  
1800 K Street, NW, 6th Floor  
Washington, DC 20006  
Attention: Loan Administration Manager

with a copy to:

Tiber Hudson LLC  
1340 Smith Avenue, Suite 200  
Baltimore, MD 21209  
Attention: Krista North, Esq.

if to Investor, to:

Red Stone Equity – Fund   Limited Partnership  
c/o Red Stone Equity Partners, LLC  
90 Park Avenue, 28th Floor  
New York, NY 10016  
Attention: General Counsel and President

with a copy to:

Applegate & Thorne-Thomsen, P.C.  
425 S. Financial Place, Suite 1900  
Chicago, IL 60605  
Attention: Bennett P. Applegate, Esq.

if to the City, to:

Chief Administrative Officer  
City of Richmond, Virginia

with a copy to:

Department of Economic Development  
City of Richmond, Virginia

900 East Broad Street Suite 201  
Richmond, VA 23219

1500 East Main Street  
Richmond, VA 23219

if to the Authority, to:

Economic Development Authority  
of Richmond VA – Attn: Chairman  
501 East Franklin Street  
Richmond, VA 23219

with a copy to:

City Attorney  
City of Richmond, Virginia  
900 East Broad Street Suite 300  
Richmond, VA 23219

## **Section 9. General Terms and Conditions.**

**9.1 Entire Agreement; Amendments; Assignments.** This Agreement constitutes the entire agreement among the parties hereto and may not be amended or modified, except in writing, signed by each of the parties hereto, and subject to the prior written consent of each Mortgage and Investor. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, including, without limitation, a Mortgagee or its designee upon a foreclosure or deed-in-lieu of foreclosure of the Site or the Project; provided, however, that in no event may this Agreement or any of the rights, benefits, duties, or obligations of the parties hereto be assigned, transferred or otherwise disposed of without the prior written consent of the other, which consent neither party shall be obligated to give, except that Recipient may assign its right to receive payment to another entity authorized to transact business in Virginia by furnishing the City and the Authority with notice identifying the entity and providing both contact and payment information in a form acceptable to the City and the Authority. Notwithstanding anything to the contrary herein, (a) Recipient shall have the right to assign its interest in the Site and Project to any future owner provided the Recipient first shall have complied with the requirements set forth in Section 2.3.1 of this Agreement and shall have submitted to the City the form of all instruments by which it purports to make such assignment and shall have obtained the City's prior written approval thereof, which approval shall not be unreasonably withheld, in which event the assignor shall be released from all obligations and liabilities under this Agreement; and (b) Recipient shall have the right to grant to a Mortgagee a security interest in, and assignment of, Recipient's rights hereunder as collateral for the loan to be provided by such Mortgagee for the development of the Project, and any action taken by such Mortgagee to realize on such security interest or assignment and performance thereafter shall be deemed permitted under this Agreement, provided the Recipient first shall have submitted to the City the form of all instruments by which it purports to grant such security interest and assignment and shall have obtained the City's prior written approval thereof, which approval shall not be unreasonably withheld. Neither the City's nor Authority's consent shall be required to the exercise by Mortgagee or any assignee of Mortgagee of its right to perform Recipient's obligations hereunder after a default by Recipient under the applicable loan documents. The City agrees that Mortgagee shall not have any liability for any act or omission of Recipient hereunder and shall only be liable hereunder for obligations arising during such time as it is the owner of Recipient's interests in the Site and Project pursuant to foreclosure, deed in lieu of foreclosure or otherwise. For the avoidance of doubt, no transfer by foreclosure or deed-in-lieu of foreclosure pursuant to a Mortgage and no transfer of interests in Recipient or the exercise by Investor of its rights to remove the general partner or managing member of Recipient shall require notice to or the approval of the City or Authority.

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

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

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

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

**9.6 Public Disclosure.**

**9.6.1 Applicable Law.** The parties to this Agreement acknowledge that records maintained by or in the custody of the City and the Authority are subject to the provisions of the Virginia Public Records Act, Va. Code §§ 42.1-76 through 42.1-90.1, and the Virginia Freedom of Information Act, Va. Code §§ 2.2-3700 through 2.2-37 14 and thus are subject to the records retention and public disclosure requirements set forth in those statutes.

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

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

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

**9.9 No Partnership or Joint Venture.** It is mutually understood and agreed that nothing contained in this Agreement is intended or shall be construed in any manner or under any circumstance whatsoever as creating and establishing the relationship of copartners or creating or establishing a joint venture between or among any of the parties or as designating any party to this Agreement as the agent or representative of any other party to this Agreement for any purpose.

**9.10 No Third-Party Beneficiaries.** Except as otherwise provided in Section 9.1 of this Agreement, the parties agree that except for any Mortgagee and Investor (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Agreement; (ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the City, the Authority, or the Recipient; (iii) no other individual or entity shall obtain any right to make any claim against the City, the Authority, or the Recipient under the provisions of this Agreement; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. Each Mortgagee and Investor shall be a third-party beneficiary of this Agreement.

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

**SIGNATURE PAGE TO FOLLOW**

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

**CITY OF RICHMOND,  
VIRGINIA**, a municipal corporation  
of the Commonwealth of Virginia

By: \_\_\_\_\_  
J.E. Lincoln Saunders Date  
Chief Administrative Officer

Authorized by Ordinance No. \_\_\_\_\_

Approved as to Form:

By:  \_\_\_\_\_  
City Attorney's Office

**WALMSLEY SENIOR LLC**, a Virginia limited  
liability company

By: \_\_\_\_\_  
Date

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

By: \_\_\_\_\_  
Chairman Date

Approved as to Form:

By: \_\_\_\_\_  
General Counsel to the Authority

## **EXHIBIT A**

### **Affordable Housing Schedule**

The Project shall restrict occupancy and rents to an average income designation of 60% of AMI, according to standards promulgated by the State Housing Finance Agency, for a minimum of thirty (30) years.

**EXHIBIT B**

**Boundary Line Plat**

**[please see attached]**

## **EXHIBIT C**

### **Legal Description of Site**

BEGINNING at a point on the northern boundary of the right of way line of Walmsley Boulevard (VA State Route #647), said point being 172.08 feet west of the point of intersection of the western boundary of the right of way line of Broad Rock Boulevard (VA State Route #10) and the northern boundary of the right of way line of Walmsley Boulevard;

Thence proceeding along the northern boundary of the right of way line of Walmsley Boulevard in a northwesterly direction the following three (3) courses and distances:

- 1) Along a curve to the right having a radius of 1385.40 feet, a delta angle of  $06^{\circ}46'18''$  and an arc length of 163.74 feet to a point;
- 2) Thence  $N 76^{\circ}11'01'' W$  260.61 feet to a point;
- 3) Thence along a curve to the left having a radius of 5428.20 feet, a delta angle of  $01^{\circ}47'25''$  and an arc length of 169.60 feet to a point;

Thence leaving the northern boundary of the right of way line of Walmsley Boulevard and proceeding in a northeasterly direction the following seven (7)

- 1) Along a curve to the left having a radius of 34.50 feet, a delta angle of  $38^{\circ}57'10''$  and an arc length of 23.46 feet to a point;
- 2) Thence  $N 12^{\circ}57'41'' E$  66.76 feet to a point;
- 3) Thence  $N 40^{\circ}27'01'' E$  85.87 feet to a point;
- 4) Thence  $N 90^{\circ}00'00'' E$  144.00 feet to a point;
- 5) Thence  $S 01^{\circ}07'02'' E$  54.91 feet to a point;
- 6) Thence  $S 82^{\circ}19'43'' E$  371.51 feet to a point;
- 7) Thence  $S 05^{\circ}32'17'' W$  175.94 feet to a point on the northern boundary of the right of way line of Walmsley Boulevard, said Point being the Point and Place of Beginning, containing 2.179 acres, more or less.



## **FY25 Budget**

**PROPOSED FY25 EDA LEIGH STREET FACILITY BUDGET**

	FY22 Actual		FY23 Actual		FY24 YTD		FY25 Proposed
Ordinary Income/Expense							
Income							
40000 · Event Income	\$ 461,098	\$	\$ 143,079	\$	\$ 165,919	\$	\$ 10,000
41400 · Sponsorship Fee-Bon Secours	\$ 0	\$	\$ 0	\$	\$ 0	\$	\$ -
41500 · Advertising & Other Income	\$ 669	\$	\$ 8,812	\$	\$ 13,133	\$	\$ -
41600.1 · Building Rent-1st Floor	\$ 305,808	\$	\$ 296,975	\$	\$ 277,585	\$	\$ 25,096
41600.2 · Building Rent-2nd Floor	\$ 161,376	\$	\$ 161,376	\$	\$ 147,928	\$	\$ 37,322
41600.3 · 1st Floor Ground Rent	\$ 21,204	\$	\$ 21,204	\$	\$ 19,437	\$	\$ -
41600.4 · 2nd Floor Ground Rent	\$ 6,756	\$	\$ 6,756	\$	\$ 6,193	\$	\$ -
41600.5 · 1st Floor CAM	\$ 216,912	\$	\$ 217,443	\$	\$ 182,875	\$	\$ -
41600.6 · 2nd Floor CAM	\$ 65,416	\$	\$ 77,266	\$	\$ 84,645	\$	\$ -
41650 · Rental Income-Westhampton	\$ 5,000	\$	\$ 5,000	\$	\$ 5,000	\$	\$ 5,000
41660 · Westhampton Maintenance Res	\$ 10,350	\$	\$ 13,527	\$	\$ 39,131	\$	\$ 15,000
Total Income	\$ 1,254,589	\$	\$ 951,438	\$	\$ 941,845	\$	\$ 92,418
Expense							
60100 · Amortization Expense	\$ 0	\$	\$ 29,239	\$	\$ 26,803	\$	\$ 4,874
60500 · Staffing	\$ 227,067	\$	\$ 187,980	\$	\$ 90,635	\$	\$ -
60510 · Payroll Expenses	\$ 4,656	\$	\$ 6,102	\$	\$ 5,853	\$	\$ -
61000 · General and Administrative	\$ 29,326	\$	\$ 53,092	\$	\$ 23,253	\$	\$ -
61500 · Security Service	\$ 6,610	\$	\$ 8,949	\$	\$ 8,656	\$	\$ 1,500
63400 · Interest Expense - Lease	\$ 0	\$	\$ 48,599	\$	\$ 44,764	\$	\$ 8,190
63500 · Bank Service Charges	\$ 321	\$	\$ 276	\$	\$ 939	\$	\$ 150
63700 · Landscaping and Groundskeeping	\$ 10,950	\$	\$ 11,700	\$	\$ 14,050	\$	\$ 15,000
66500 · Telephone Expense	\$ 7,403	\$	\$ 4,754	\$	\$ 4,549	\$	\$ 350
66670 · Insurance Expense	\$ 22,766	\$	\$ 27,807	\$	\$ 14,427	\$	\$ 3,400
66700 · Professional Fees	\$ 5,800	\$	\$ 0	\$	\$ 12,195	\$	\$ 4,000
67100 · Ground Rent Expense	\$ 40,560	\$	\$ 0	\$	\$ -	\$	\$ -
67500 · Training Camp Expense	\$ 0	\$	\$ 0	\$	\$ 0	\$	\$ -
67700 · Real estate taxes	\$ 8,616	\$	\$ 4,819	\$	\$ 4,931	\$	\$ -
68400 · Grounds Maintenance	\$ 108,151	\$	\$ 105,368	\$	\$ 81,384	\$	\$ 5,000
68500 · Maintenance Expense	\$ 65,205	\$	\$ 60,471	\$	\$ 34,091	\$	\$ 6,000
68510 · Janitorial Service Supplies	\$ 17,326	\$	\$ 17,861	\$	\$ 20,999	\$	\$ 3,500
69000 · Base Management Expense	\$ 15,224	\$	\$ 15,203	\$	\$ 7,522	\$	\$ -
69001 · Incentive Management Fee	\$ 6,373	\$	\$ 4,964	\$	\$ 4,486	\$	\$ -
69500 · Operations	\$ 26,525	\$	\$ 20,194	\$	\$ 21,921	\$	\$ 4,000
78000 · Utilities	\$ 105,067	\$	\$ 128,265	\$	\$ 124,046	\$	\$ 21,000
Total Expense	\$ 707,946	\$	\$ 735,644	\$	\$ 545,505	\$	\$ 76,964
Net Ordinary Income	\$ 546,643	\$	\$ 215,795	\$	\$ 396,340	\$	\$ 15,454
Other Income/Expense							
Other Income							
42800 · Interest Income-Cking	\$ 24	\$	\$ 25	\$	\$ 28	\$	\$ 28
Total Other Income	\$ 24	\$	\$ 25	\$	\$ 28	\$	\$ 28
Other Expense							
62000-Local Contribution-ProFootball	\$ 0	\$	\$ 0	\$	\$ 0	\$	\$ 0
72500 · Depreciation Expense	\$ 321,126	\$	\$ 318,163	\$	\$ 269,169	\$	\$ 53,144
Total Other Expense	\$ 321,126	\$	\$ 318,163	\$	\$ 269,169	\$	\$ 53,144
Net Other Income	\$ (321,102)	\$	\$ (318,138)	\$	\$ (269,141)	\$	\$ (53,116)
Net Income	\$ 225,540	\$	\$ (102,343)	\$	\$ 127,199	\$	\$ (37,662)

**PROPOSED FY25 EDA OPERATIONS BUDGET**

	FY22 Actual		FY23 Actual		FY24 YTD		FY25 Proposed
Ordinary Income/Expense							
Income							
40800 · Restricted Interest Income	\$ 509	\$	1,612	\$	710	\$	1,000
41200 · Grants	\$ 546,929	\$	745,881	\$	1,551,515	\$	2,783,062
41220 · Grants (non-city)	\$ 0	\$	0	\$	700,000	\$	-
41225 · Grants - Façade Program	\$ 0	\$	350,000	\$	-	\$	-
41400 · Contributed Asset		\$	13,173,607	\$	-	\$	-
42000 · Administrative Loan Fee Income	\$ 36,000	\$	36,000	\$	111,500	\$	97,760
42300 · Annual Bond Administrative Fee	\$ 49,332	\$	8,450	\$	20,000	\$	20,000
42800 · Interest Income	\$ 666	\$	9,160	\$	11,590	\$	11,500
43000 · Parking Lot Rental Income	\$ 22,000	\$	13,134	\$	-	\$	-
Total Income	\$ 655,436	\$	14,337,843	\$	2,395,315	\$	2,913,322
Carryover Triple A						\$	199,703
Carryover Façade						\$	200,000
Total Carryover	\$ -	\$	-	\$	-	\$	399,703
Expense							
60100 · Grants-Econ Dev Incentives	\$ 56,929	\$	817,756	\$	1,051,515	\$	1,339,062
60111 · Grants-Disaster Recovery	\$ 0	\$	0	\$	0	\$	-
60112 · Grants-Business Recovery	\$ 0	\$	0	\$	0	\$	-
60114 · CARES Federal Expenditure	\$ 0	\$	0	\$	-	\$	-
60115 · Triple A	\$ -	\$	-	\$	505,295	\$	199,703
60199 · Grant Repayment to Grantors	\$ 709,265	\$	818,125	\$	0	\$	-
60113 · Grants-Richmond Recovers	\$ 190,343	\$	0	\$	0	\$	-
60200 · Grants-Façade	\$ 10,000	\$	47,495	\$	35,591	\$	200,000
60400 · Bank Service Charges	\$ 4,519	\$	1,759	\$	1,795	\$	2,000
60500 · Grant Enterprise	\$ -	\$	-	\$	257,500	\$	368,000
60700 · Grant Affordable Housing		\$	-	\$	-	\$	576,000
61700 · Computer & Internet Expenses	\$ 3,356	\$	250	\$	1,490	\$	2,000
61900 · Contingency Fund	\$ 0	\$	0	\$	-	\$	-
6240 · Depreciation	\$ 0	\$	634	\$	581	\$	634
6250 · Dues & Memberships	\$ 7,098	\$	3,619	\$	26,307	\$	32,000
62550 · Accounting Services	\$ 33,600	\$	34,800	\$	35,500	\$	57,000
62552 · Audit Services	\$ 28,690	\$	44,718	\$	34,908	\$	42,000
63300 · Insurance Expense							
63300.1 · Board Insurance	\$ 2,404	\$	2,499	\$	2,293	\$	2,500
63300.2 · Insurance-Other	\$ 2,725	\$	5,152	\$	4,723	\$	7,700
63300.3 · Insurance-Coliseum lots	\$ -	\$	17,653	\$	8,853	\$	10,750
Total 63300 · Insurance Expense	\$ 5,129	\$	25,304	\$	15,868	\$	20,950
64100 · Legal Expense	\$ 250	\$	0	\$	-		
64200 · Marketing							
64200.1 · Web Hosting	\$ 305	\$	1,539	\$	14,289	\$	25,000
64200.2 · Website Amortization	\$ -	\$	-	\$	-	\$	44,316
64200 · Marketing - Other	\$ 5,150	\$	6,060	\$	54,038	\$	12,000
Total 64200 · Marketing	\$ 5,455	\$	7,599	\$	68,327	\$	81,316
64300 · Meals and Entertainment	\$ 6,913	\$	8,930	\$	15,061	\$	15,000
64400 · Miscellaneous Expense	\$ 150	\$	211	\$	535	\$	1,500
64900 · Office Supplies	\$ 62	\$	466	\$	193	\$	500
66700 · Professional Fees	\$ 12,000	\$	2,750	\$	-	\$	-
67800.7 · Workmans Comp Insurance	\$ 1,008	\$	889	\$	645	\$	1,000
67400 · Meeting Expense	\$ 0	\$	9,825	\$	9,554	\$	10,000
68500 · Travel	\$ 544	\$	338	\$	931	\$	2,000
68600 · Utilities							
68600 · Utilities Other		\$	0	\$	924	\$	1,000
68600.1 · Internet Service	\$ 368	\$	528	\$	484	\$	500
Total 68600 · Utilities	\$ 368	\$	528	\$	1,408	\$	1,500
Development & Business Investment	\$ -	\$	-	\$	-	\$	360,860
Total Expense	\$ 1,078,081	\$	1,825,997	\$	2,063,003	\$	3,313,025
Net Ordinary Income	\$ (422,645)	\$	12,511,846	\$	332,312	\$	-

**PROPOSED FY25 EDA STONE BREWING BUDGET**

	FY22 Actual	FY23 Actual	FY24 YTD	FY25 Proposed
Ordinary Income/Expense				
Income				
42800 · Interest Income	\$ 1,314	\$ 15,125	\$ 25,246	\$ 20,000
43000 · Interest on Capital Lease	\$ 1,208,814	\$ 1,271,948	\$ 1,043,809	\$ 1,102,649
Total Income	\$ 1,210,128	\$ 1,287,073	\$ 1,069,055	\$ 1,122,649
Expense				
63300 · Depreciation Expense	\$ 0	\$ 2,091	\$ 1,916	\$ 2,091
63300 · Insurance Expense	\$ 6,688	\$ 4,802	\$ 4,375	\$ 9,800
63500 · Bank Fees	\$ 3	\$ 0	\$ 100	\$ 100
66100 · Interest Expense-Bond	\$ 725,497	\$ 704,268	\$ 627,281	\$ 661,935
66700 · Professional Fees	\$ 14,000	\$ 0	\$ -	\$ 20,000
67200 · Repairs and Maintenance	\$ 37,596	\$ 0	\$ 1,710	\$ 20,000
67500 · Roof Expense	\$ 111,065	\$ 875	\$ 10,470	\$ 20,000
Total Expense	\$ 894,849	\$ 712,035	\$ 645,853	\$ 733,926
Net Ordinary Income	\$ 315,279	\$ 575,038	\$ 423,202	\$ 388,724
Other Income/Expense				
Other Income				
70200 · Miscellaneous Income	\$ 0	\$ (34,411)	\$ 0	\$ 0
Total Other Income	\$ 0	\$ 0	\$ 0	\$ 0
Net Other Income	\$ 0	\$ 0	\$ 0	\$ 0
Net Income	\$ 315,279	\$ 540,627	\$ 423,202	\$ 388,724

# **FY25 Slate of Officers and Committee Assignments**

**Economic Development Authority (EDA) of the City of Richmond, Virginia  
FY25 Slate of Officers & Committee Assignments**

**DRAFT**

**Board Chair:** John Molster

**Board Vice-Chair:** Nupa Agarwal

**Board Treasurer:** Nathan Hughes

**Board Secretary:** *Matthew Welch\**

**Board Assistant Secretary:** *Katie McConnell\**

*\*Recommended modifications based on the EDA Board's actions to appoint Matthew Welch as Executive Director at the EDA Special Called Meeting on June 17, 2024.*

**Executive Committee:**

John Molster (Chair), Nupa Agarwal, Nathan Hughes, Evan Feinman, Neil Millhiser, Jer'Mykeal McCoy, and Jéron Crooks

**Audit & Finance Committee:**

Nathan Hughes (Chair), Jéron Crooks, John Molster, and Neil Millhiser

**Marketing Committee:**

Nupa Agarwal (Chair), Evan Feinman, and Jer'Mykeal McCoy

**Loan Committee:**

Nathan Hughes (Chair), John Molster and Jéron Crooks

**Real Estate Committee:**

Neil Millhiser (Chair), Nupa Agarwal, Evan Feinman, Nathan Hughes, and Jer'Mykeal McCoy

**Nominating Committee:**

Jer'Mykeal McCoy (Chair), John Molster, and Evan Feinman

<b>Board Member</b>	<b>Audit &amp; Finance Committee</b>	<b>Marketing Committee</b>	<b>Loan Committee</b>	<b>Real Estate Committee</b>	<b>Nominating Committee</b>
John Molster	X		X		X
Nupa Agarwal		X		X	
Evan Feinman		X		X	X
Jer'Mykeal McCoy		X		X	X
Jéron Crooks	X		X		
Nathan Hughes	X		X	X	
Neil Millhiser	X			X	

## **Navigators Utility Relocations**



## Right of Way Agreement

THIS RIGHT OF WAY AGREEMENT, is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA, a political subdivision of the Commonwealth of Virginia ("**GRANTOR**") and VIRGINIA ELECTRIC AND POWER COMPANY, a Virginia public service corporation, doing business in Virginia as Dominion Energy Virginia, with its principal office in Richmond, Virginia ("**GRANTEE**").

### WITNESSETH:

1. That for and in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, **GRANTOR** grants and conveys unto **GRANTEE** its successors and assigns, the perpetual right, privilege and non-exclusive easement over, under, through, upon and across the property described herein, for the purpose of transmitting and distributing electric power by one or more circuits; for its own internal telephone and other internal communication purposes directly related to or incidental to the generation, distribution, and transmission of electricity; for fiber optic cables, wires, attachments, and other transmission facilities, and all equipment, accessories and appurtenances desirable in connection therewith, for the purpose of transmitting voice, text, data, internet services, and other communications services, including the wires and attachments of third parties; and for lighting purposes; including but not limited to the rights:

1.1 to lay, construct, operate and maintain one or more lines of underground conduits and cables including, without limitation, one or more lighting supports and lighting fixtures as **GRANTEE** may from time to time determine, and all wires, conduits, cables, transformers, transformer enclosures, concrete pads, manholes, handholes, connection boxes, accessories and appurtenances desirable in connection therewith; the width of said non-exclusive easement shall extend FIFTEEN (15) feet in width across the lands of GRANTOR.

2. The easement granted herein shall extend across the lands of **GRANTOR** situated in, CITY OF RICHMOND Virginia, as more fully described on Plat(s) Numbered 00-24-0083 attached to and made a part of this Right of Way Agreement; the location of the boundaries of said easement being shown in broken lines on said Plat(s), reference being made thereto for a more particular description thereof.

3. All facilities constructed hereunder shall remain the property of **GRANTEE**. **GRANTEE** shall have the right to inspect, including but not limited to the airspace above the property controlled by **GRANTOR**, reconstruct, remove, repair, improve, relocate on and within the easement area and make such changes, alterations, substitutions, additions to or extensions of its facilities as **GRANTEE** may from time to time deem advisable.

**This Document Prepared by Virginia Electric and Power Company and should be returned to:** Dominion Energy Virginia, PO Box 26666, Richmond, VA 23261

Initials: \_\_\_\_\_

**Tax/PID: N0001510012, N0001510013**

**DEVID No(s):00-24-0083**

**Page 1 of 4**



**4. GRANTEE** shall have the right to keep the easement clear of all buildings, structures, trees, roots, undergrowth and other obstructions which would interfere with its exercise of the rights granted hereunder, including, without limitation, the right to trim, top, retrim, retop, cut and keep clear any trees or brush inside and outside the boundaries of the easement that may endanger the safe and proper operation of its facilities. All trees and limbs cut by **GRANTEE** shall remain the property of **GRANTOR**.

**5.** For the purpose of exercising the right granted herein, **GRANTEE** shall have the right of ingress to and egress from this easement over such private roads as may now or hereafter exist on the property of **GRANTOR**. The right, however, is reserved to **GRANTOR** to shift, relocate, close or abandon such private roads at any time. If there are no public or private roads reasonably convenient to the easement, **GRANTEE** shall have such right of ingress and egress over the lands of **GRANTOR** adjacent to the easement. **GRANTEE** shall exercise such rights in such manner as shall occasion the least practicable damage and inconvenience to **GRANTOR**.

**6. GRANTEE** shall repair damage to roads, fences, or other improvements (a) inside the boundaries of the easement (subject, however, to **GRANTEE's** rights set forth in Paragraph 4 of this Right of Way Agreement) and (b) outside the boundaries of the easement and shall repair or pay **GRANTOR**, at **GRANTEE's** option, for other damage done to **GRANTOR'S** property inside the boundaries of the easement (subject, however, to **GRANTEE's** rights set forth in Paragraph 4 of this Right of Way Agreement) and outside the boundaries of the easement caused by **GRANTEE** in the process of the construction, inspection, and maintenance of **GRANTEE's** facilities, or in the exercise of its right of ingress and egress; provided **GRANTOR** gives written notice thereof to **GRANTEE** within sixty (60) days after such damage occurs.

**7. GRANTOR**, its successors and assigns, may use the easement for any reasonable purpose not inconsistent with the rights hereby granted, provided such use does not interfere with **GRANTEE's** exercise of any of its rights hereunder. **GRANTOR** shall not have the right to construct any building, structure, or other above ground obstruction on the easement; provided, however, **GRANTOR** may construct on the easement fences, landscaping (subject, however, to **GRANTEE's** rights in Paragraph 4 of this Right of Way Agreement), paving, sidewalks, curbing, gutters, street signs, and below ground obstructions as long as said fences, landscaping, paving, sidewalks, curbing, gutters, street signs, and below ground obstructions do not interfere with **GRANTEE's** exercise of any of its rights granted hereunder. In the event such use does interfere with **GRANTEE's** exercise of any of its rights granted hereunder, **GRANTEE** may, in its reasonable discretion, relocate such facilities as may be practicable to a new site designated by **GRANTOR** and acceptable to **GRANTEE**. In the event any such facilities are so relocated; **GRANTOR** shall reimburse **GRANTEE** for the cost thereof and convey to **GRANTEE** an equivalent easement at the new site.

**8. GRANTEE's** right to assign or transfer its rights, privileges and easements, as granted herein, shall be strictly limited to the assignment or transfer of such rights, privileges and easements to any business which lawfully assumes any or all of **GRANTEE's** obligations as a public service company or such other obligations as may be related to or incidental to **GRANTEE's** stated business purpose as a public service company; and any such business to which such rights, privileges and easements may be assigned shall be bound by all of the terms, conditions and restrictions set forth herein.

**9.** If there is an Exhibit A attached hereto, then the easement granted hereby shall additionally be subject to all terms and conditions contained therein provided said Exhibit A is executed by **GRANTOR** contemporaneously herewith and is recorded with and as a part of this Right of Way Agreement

**10.** Whenever the context of this Right of Way Agreement so requires, the singular number shall mean the plural and the plural the singular.

Initials: \_\_\_\_\_

DEVID No(s): 00-24-0083

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## Right of Way Agreement

11. **GRANTOR** represents that it is seised of and has the right to convey this easement and the rights and privileges granted hereunder; that **GRANTEE** shall have quiet and peaceable possession, use and enjoyment of the aforesaid easement, rights and privileges; and that **GRANTOR** shall execute such further assurances thereof as may be reasonably required.

12. The individual executing this Right of Way Agreement on behalf of **GRANTOR** warrants that **GRANTOR** is a political subdivision of the Commonwealth of Virginia duly organized and existing under the laws of the state hereinabove mentioned and that he or she has been duly authorized to execute this easement on behalf of said political subdivision of the Commonwealth of Virginia.

**NOTICE TO LANDOWNER:** You are conveying rights to a public service corporation. A public service corporation may have the right to obtain some or all of these rights through exercise of eminent domain. To the extent that any of the rights being conveyed are not subject to eminent domain, you have the right to choose not to convey those rights and you could not be compelled to do so. You have the right to negotiate compensation for any rights that you are voluntarily conveying.

**IN WITNESS WHEREOF,** **GRANTOR** has caused its corporate name to be signed hereto by its authorized officer or agent, described below, on the date first above written.

Grantor Name: ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

By (Signature): \_\_\_\_\_

Name (Print): \_\_\_\_\_ Its: \_\_\_\_\_

State of \_\_\_\_\_

City/County of \_\_\_\_\_

The foregoing instrument was acknowledged before me ☐ In Person or by ☐ Remote notarization

on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_, \_\_\_\_\_  
(Name of officer or agent) (Title of officer or agent)

of the ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA, a political subdivision of the commonwealth of Virginia.

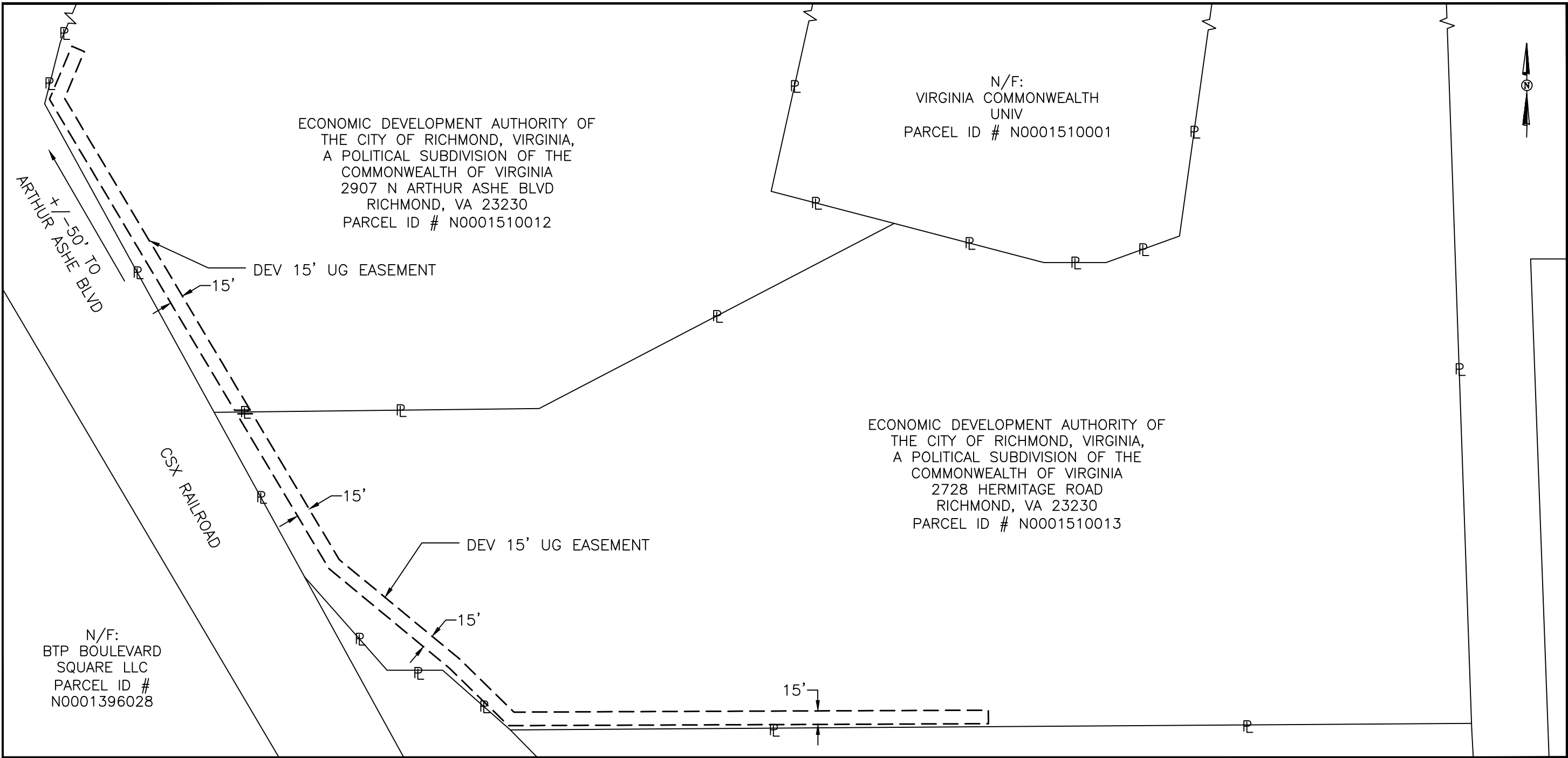
\_\_\_\_\_  
Notary Public (Print Name)

\_\_\_\_\_  
Notary Public (Signature)

Notary Registration Number: \_\_\_\_\_ My Commission Expires: \_\_\_\_\_

**DEVID No(s). 00-24-0083**

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LEGEND	Region CENTRAL	Local Office RICHMOND	State VA	PLAT TO ACCOMPANY RIGHT OF WAY AGREEMENT  VIRGINIA ELECTRIC AND POWER COMPANY doing business as <b>Dominion Energy Virginia</b>	UG
	County/City CITY OF RICHMOND		Grid Number H0003		
	Work Request Number 10693030	DEVID No. 00-24-0083	Scale Not to Scale		
	Date 6/14/2024	By MLW			
--- Location of Right of Way Boundary					
= <del>E</del> = Indicates Property Line is Right of Way Boundary					
OWNER INITIALS _____				Page 04 of 04	