

INTRODUCED: March 10, 2025

Expedited Consideration

A RESOLUTION No. 2025-R013

To express the concurrence of the Council with the inducement resolution adopted by the Economic Development Authority of Henrico County and to approve the issuance of revenue bonds in an amount not to exceed \$15,000,000 for the benefit of Bon Secours Mercy Health, Inc. and Richmond Community Hospital.

Patron – Mayor Avula (By Request)

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAR 24 2025 AT 6 P.M.

WHEREAS, Bon Secours Mercy Health, Inc. is a Maryland nonstock nonprofit membership corporation, and which has facilities located in the City of Richmond including Richmond Community Hospital located at 1500 North 28th Street; and

WHEREAS, on January 16, 2025, the Economic Development Authority of Henrico County adopted an inducement resolution (the “Inducement Resolution”), a copy of which is attached to this resolution and entitled Attachment A, relating to the issuance of its Health Facilities Revenue Bonds (Bon Secours Mercy Health, Inc.) (the “Bonds”) in one or more series to, among other things, (i) finance or refinance the costs of certain capital expenditures, including the

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: MAR 24 2025 REJECTED: _____ STRICKEN: _____

acquisition, construction, equipping, expansion, enlargement and improvement of certain hospital facilities, including reimbursement, (ii) pay a portion of the interest on the Bonds, if deemed necessary, (iii) establish one or more debt service reserve funds, if deemed necessary, and (iv) pay certain expenses incurred in connection with the issuance of the Bonds (collectively, the “Financing Purposes”), all pursuant to a master financing plan for certain health care facilities affiliated with Bon Secours Mercy Health, Inc., which plan includes the above-described financing by the Economic Development Authority of Henrico County for the benefit of Bon Secours Mercy Health, Inc. and its nonprofit affiliates, including Richmond Community Hospital; and

WHEREAS, the portion of the Bonds to be issued for the benefit of the Richmond Community Hospital facilities shall not exceed \$15,000,000; and

WHEREAS, the Bonds will be issued pursuant to the Virginia Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), and will be limited obligations of the Economic Development Authority of Henrico County payable solely from the revenues and receipts derived from payments provided by Bon Secours Mercy Health, Inc.; and

WHEREAS, the facilities of Richmond Community Hospital to be financed or refinanced are located within the boundaries of the City of Richmond, which, pursuant to the Act, has created the Economic Development Authority of the City of Richmond; and

WHEREAS, Section 15.2-4905 of the Act permits the issuance of the Bonds by the Economic Development Authority of Henrico County for the benefit of Bon Secours Mercy Health, Inc. and its nonprofit affiliates, including Richmond Community Hospital, if the Council concurs in the Inducement Resolution adopted by the Economic Development Authority of Henrico County; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), provides that an “applicable elected representative” of the governmental unit having jurisdiction over the area in which any facility financed or refinanced with the proceeds of the Bonds is located must approve the issuance of the Bonds in order for the interest on the Bonds to be entitled to certain exemptions from taxation provided by the Code, and the City Council of the City of Richmond, as elected legislative body, constitutes such applicable elected representative within the meaning of the Code; and

WHEREAS, on February 27, 2025, pursuant to the requirements of Section 147(f) of the Code and the Act, the Economic Development Authority of the City of Richmond held a public hearing concerning the proposed issuance of the Bonds; and

WHEREAS, on February 27, 2025, the Economic Development Authority of the City of Richmond adopted a resolution approving the issuance of the Bonds by the Economic Development Authority of Henrico County and recommending that the City Council of the City of Richmond concur in the Inducement Resolution of the Economic Development Authority of Henrico County and approve the issuance of the Bonds by the Economic Development Authority of Henrico County to comply with Section 147(f) of the Code and Section 15.2-4905 of the Act; and

WHEREAS, a copy of the Economic Development Authority of the City of Richmond Resolution and a Summary of the statements expressed at the public hearing have been filed with the Council;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

1. The recitals made in the preamble to this Resolution are hereby adopted as a part of this resolution.

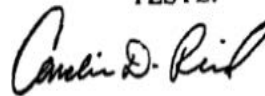
2. The Council hereby approves the issuance of the Bonds by the Economic Development Authority of Henrico County for the benefit of Bon Secours Mercy Health, Inc. and its nonprofit affiliates, including Richmond Community Hospital, and concurs in the Inducement Resolution adopted by the Economic Development Authority of Henrico County for all purposes for which such concurrence and approval is required, including without limitation, Section 147(f) of the Code and Section 15.2-4905 of the Act.

3. The approval of the issuance of the Bonds, as required by Section 147(f) of the Code, and the concurrence in the Inducement Resolution adopted by the Economic Development Authority of Henrico County as required by Section 15.2-4905 of the Act, does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of Bon Secours Mercy Health, Inc., nor does it constitute indebtedness of or a pledge of contributions from the City of Richmond or the Economic Development Authority of the City of Richmond. Neither the faith and credit nor the taxing power of the City of Richmond is pledged to the payment of the principal or interest on such Bonds or any other costs related thereto. Neither the Economic Development Authority of the City of Richmond nor the City of Richmond nor any of their representatives, commissioners, officers or employees shall have any liability for or related to the Bonds.

4. The City Clerk is hereby instructed to forward a copy of this resolution to the Economic Development Authority of the City of Richmond, the Economic Development Authority of Henrico County and representatives of Bon Secours Mercy Health, Inc.

5. This Resolution shall take effect on the date of its adoption.

A TRUE COPY:
TESTE:



City Clerk



City of Richmond

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

Master

File Number: Admin-2025-0187

File ID: Admin-2025-0187 **Type:** Request for Ordinance or Resolution **Status:** Regular Agenda

Version: 1 **Reference:** **In Control:** City Attorney
Department: Economic Development **File Created:** 02/28/2025
Subject: **Final Action:**

Title:

Internal Notes:

Agenda Date: 03/10/2025

Patron(s): **Enactment Date:**

Attachments: Admin-2025-0187-Attachment A-BSMH 2025 - Virginia - Richmond EDA Concurring Resolution v2(52897653.2), Admin-2025-0187-Attachment B-BSMH 2025 - Virginia - Richmond EDA Resolution v2(52897717.2).docx, Admin-2025-0187-Attachment C-BSMH 2025 - Virginia - Richmond TEFRA Notice v2(52897841.2).docx, Admin-2025-0187-Attachment D-Henrico County Virginia Inducement Resolution(52578501.1).pdf, Admin-2025-0187 - AATF - Res. - Henrico EDA and Bon Secours Mercy Health Inducement Bonds Resolution.pdf.pdf

Enactment Number:

Contact: **Introduction Date:**
Drafter: Glenna.Chung@rva.gov **Effective Date:**

Related Files:

Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	3/3/2025	Matt Welch	Approve	3/3/2025
1	3	3/3/2025	Sharon Ebert	Approve	3/4/2025
1	5	3/3/2025	Sabrina Joy-Hogg	Approve	3/4/2025
1	7	3/10/2025	Mayor Avula	Approve	3/4/2025

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File Admin-2025-0187

City of Richmond

Intracity Correspondence

O&R Transmittal

DATE: February 28, 2025

TO: The Honorable Members of City Council

THROUGH: The Honorable Dr. Danny Avula, Mayor (By Request)
(This in no way reflects a recommendation on behalf of the Mayor)

THROUGH: Sabrina Joy-Hogg, Interim Chief Administrative Officer

THROUGH: Sharon Ebert, Deputy Chief Administrative Officer

FROM: Matthew Welch, Acting Director of Economic Development

RE: EDA Concurring Resolution - Bon Secours Mercy Health

PURPOSE: City Council to concur in the Inducement Resolution adopted by the Economic Development Authority of Henrico County approving the issuance of Health Facilities Revenue Bonds, a portion of which Bonds not to exceed \$15,000,000 will be issued for the benefit of Richmond Community Hospital.

BACKGROUND: Henrico County's Economic Development Authority is issuing health facilities revenue bonds for Bon Secours. A portion of the bond proceeds will be used in connection with Richmond Community Hospital located in the city of Richmond. Because a portion of the bond proceeds are being used in Richmond, Richmond needs to concur in the issuance by Henrico County. A public hearing was held, as required by law, at the EDA's February 27th Board Meeting. The EDA adopted a resolution approving the issuance of the revenue bonds. City Council needs to concur in that action.

COMMUNITY ENGAGEMENT: N/A

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: Although concurrence in the Henrico Bond issuance is somewhat of a ministerial act, required by the Internal Revenue Code, the bond proceeds benefit Richmond Community Hospital (“RCH”) and RCH provides healthcare services to residents of the city of Richmond.

FISCAL IMPACT: N/A - Because a portion of the bond proceeds are being used in Richmond, Richmond needs to concur in the issuance by Henrico County. The City is not financially responsible for the Bonds, which do not constitute debt of the City or its EDA. The Bond issuance in no way affects the City’s debt limit or debt capacity.

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: March 10, 2025

CITY COUNCIL PUBLIC HEARING DATE: March 24, 2025

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development Standing Committee

AFFECTED AGENCIES: N/A

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

ATTACHMENTS: Richmond EDA Concurring Resolution, Richmond EDA Resolution, Richmond TEFRA Notice, Henrico County Virginia Inducement Resolution

STAFF: Matthew Welch, Acting Director of Economic Development

**RESOLUTION APPROVING ISSUANCE OF REVENUE BONDS FOR
BON SECOURS MERCY HEALTH, INC.**

WHEREAS, Bon Secours Mercy Health, Inc. (“BSMH”), is a Maryland nonstock nonprofit membership corporation, which operates a nonprofit system healthcare (the “System”) within the Commonwealth of Virginia and with facilities located in the City of Richmond, including Richmond Community Hospital (“Richmond Community Hospital”) located at 1500 North 28th Street, Richmond, Virginia 23223; and

WHEREAS, on January 16, 2025, the Economic Development Authority of Henrico County, Virginia (the “Henrico Authority”) adopted an inducement resolution (the “Inducement Resolution”) (a copy of which is attached hereto as Attachment A) relating to the issuance of its Health Facilities Revenue Bonds (Bon Secours Mercy Health, Inc.) (the “Bonds”) in one or more series to, among other things, (i) finance or refinance the costs of certain capital expenditures, including the acquisition, construction, equipping, expansion, enlargement and improvement of certain hospital facilities, including reimbursement, (ii) pay a portion of the interest on the Bonds, if deemed necessary, (iii) establish one or more debt service reserve funds, if deemed necessary, and (iv) pay certain expenses incurred in connection with the issuance of the Bonds (collectively, the “Financing Purposes”), all pursuant to a master financing plan for certain health care facilities affiliated with BSMH, which plan includes the above-described financing by the Henrico Authority for the benefit of Richmond Community Hospital; and

WHEREAS, the portion of the Bonds to be issued for the benefit of Richmond Community Hospital is not expected to exceed \$15,000,000; and

WHEREAS, the Bonds will be issued pursuant to the Virginia Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), and will be limited obligations of the Henrico Authority payable solely from the revenues and receipts derived from payments provided by BSMH; and

WHEREAS, the facilities of Richmond Community Hospital to be financed or refinanced are located within the boundaries of the City of Richmond which, pursuant to the Act, has created the Economic Development Authority of the City of Richmond (the “Richmond EDA”) and Section 15.2-4905 of the Act permits the issuance of the Bonds by the Henrico Authority for the benefit of BSMH and its nonprofit affiliates, including Richmond Community Hospital, if the governing body of the City of Richmond concurs in the Inducement Resolution adopted by the Henrico Authority; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), provides that an “applicable elected representative” of the governmental unit having jurisdiction over the area in which any facility financed or refinanced with the proceeds of the Bonds is located must approve the issuance of the Bonds in order for the interest on the Bonds to be entitled to certain exemptions from taxation provided by the Code, and the City Council of the City of Richmond, as an elected legislative body, constitutes such applicable elected representative within the meaning of the Code; and

**Inducement Resolution With
Respect to the Proposed Issuance of
Revenue Bonds by the
Economic Development Authority of
Henrico County, Virginia for
Bon Secours Mercy Health, Inc. and its Nonprofit Affiliates**

WHEREAS, Bon Secours Mercy Health, Inc., is a Maryland nonstock, nonprofit corporation (“BSMH”) qualified to conduct business in the Commonwealth of Virginia (the “Commonwealth”); and

WHEREAS, BSMH along with its affiliates (the “Affiliates”) operate a nonprofit healthcare system (the “System”) in seven states and the Republic of Ireland that includes acute care hospitals, behavioral health facilities, long-term care and rehabilitation facilities, home health agencies, physician clinics, hospice facilities, clinical laboratories, and ambulatory surgery centers; and

WHEREAS, the System owns and operates the following facilities in the Commonwealth: (i) Bon Secours Mary Immaculate Hospital in Newport News, Virginia, (ii) Bon Secours Maryview Medical Center in Portsmouth, Virginia, (iii) Bon Secours Health Center at Harbour View in Suffolk, Virginia, (iv) Southampton Medical Center in Franklin, Virginia, (v) St. Francis Medical Center in Chesterfield County, Virginia, (vi) St. Mary’s Hospital in Henrico County, Virginia, (vii) Rappahannock General Hospital in Lancaster County, Virginia, (viii) Bon Secours Memorial Regional Medical Center in Hanover County, Virginia, (ix) Ashland Emergency Center in Hanover County, Virginia, (x) Richmond Community Hospital in Richmond, Virginia, (xi) Bon Secours – Southside Medical Center in Petersburg, Virginia and (xii) Bon Secours – Southern Virginia Medical Center in Emporia, Virginia (collectively, the “Hospital Facilities”); and

WHEREAS, BSMH has requested that the Economic Development Authority of Henrico County, Virginia (the “Authority”) issue one or more series of its Health Facilities Revenue Bonds (Bon Secours Mercy Health, Inc.) (the “Bonds”) in order to (i) finance or refinance the costs of certain capital expenditures, including the acquisition, construction, equipping, expansion, enlargement and improvement of certain of the Hospital Facilities, including reimbursement, (ii) pay a portion of the interest on the Bonds, if deemed necessary, (iii) establish one or more debt service reserve funds, if deemed necessary, and (iv) pay certain expenses incurred in connection with the issuance of the Bonds (collectively, the “Financing Purposes”); and

WHEREAS, the Bonds will be issued pursuant to the Virginia Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), and will be limited obligations of the Authority payable solely from the revenues and receipts derived from payments by BSMH; and

WHEREAS, pursuant to Section 15.2-4905 of the Act, if a locality other than Henrico County, Virginia has created an industrial development authority pursuant to the Act, the Act does not permit the Authority to finance facilities within the boundaries of such locality unless the governing body of the locality where the facilities are located concurs with the inducement resolution of this Authority and shows its concurrence in a duly adopted resolution; and

WHEREAS, the independent cities of Newport News, Portsmouth, Suffolk, Franklin, Richmond, Petersburg and Emporia, Virginia and the counties of Hanover, Chesterfield and Lancaster, Virginia, have each created an industrial development authority pursuant to the Act; and

WHEREAS, the issuance of the Bonds is contingent upon the adoption of concurring resolutions by the Board of Supervisors of the County of Hanover, the County of Chesterfield and the County of Lancaster, and the City Council of each of the Cities of Newport News, Portsmouth, Suffolk, Franklin, Richmond, Petersburg and Emporia pursuant to the Act; and

WHEREAS, in materials submitted to the Authority, and in its appearance before the Authority, BSMH has described the Financing Purposes and the benefit thereof to BSMH in providing quality medical care to the residents of Henrico County and the other localities in the Commonwealth served by the System; and

WHEREAS, the Authority has determined that financing the costs of the Financing Purposes by the Authority for the Hospital Facilities and BSMH will protect and promote the health and welfare of the inhabitants of the Commonwealth of Virginia and in particular of Henrico County and surrounding environs, will reduce the cost of providing medical care to residents of the Commonwealth of Virginia and in particular Henrico County and the aforementioned cities and counties, will be in the public interest and will be consistent with and serve the purposes of the Act.

NOW, THEREFORE, BE IT RESOLVED by the Economic Development Authority of Henrico County, Virginia:

(1) It is hereby found and determined that financing the costs of the Financing Purposes will reduce the cost of providing medical care to residents of the Commonwealth of Virginia and in particular Henrico County, Hanover County, Chesterfield County, Lancaster County, and the Cities of Newport News, Portsmouth, Suffolk, Franklin, Richmond, Petersburg and Emporia and surrounding environs, will be in the public interest, will protect and promote the health and welfare of the inhabitants of the area served by the Authority, and will be consistent with and serve the purposes of the Act.

(2) In order to finance the costs of the Financing Purposes, the Authority hereby agrees to issue its Bonds, upon terms and conditions to be mutually agreed upon among the Authority, BSMH and the purchasers of the Bonds, and subject to the requirements of the Act.

(3) Payment of the Bonds shall be secured by an assignment, for the benefit of the holders thereof, of the Authority's rights (excluding the Authority's rights to indemnification, fees, expenses and notice) under notes or other obligations of BSMH requiring payments sufficient in the aggregate to pay all principal of, premium, if any, and interest on the Bonds.

(4) The Bonds may be issued in one or more series issued on one or more dates, shall bear such title or designation, shall bear interest at such rate or rates, shall be in such denominations, shall be offered for public sale or private placement, shall be subject to such terms of redemption, shall be in such form, and shall contain such other terms and conditions as may be approved by the Authority.

(5) It having been represented to the Authority that it is necessary to proceed immediately with the Financing Purposes, the Authority hereby authorizes BSMH to proceed with their plans for the Financing Purposes and to take steps as they may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize BSMH to obligate the Authority without its consent in each instance to the payment of any moneys or the performance of any acts in connection with the Financing Purposes. The Authority agrees that BSMH may be reimbursed from the proceeds of the Bonds for all such costs it shall incur or have so incurred to the extent permitted by the Act and applicable Federal law.

(6) The Authority hereby agrees to the recommendation of BSMH that Dinsmore & Shohl LLP, be appointed as bond counsel, and hereby appoints such firm to supervise the proceedings and approve the issuance of the Bonds.

(7) At the request of BSMH, the Authority hereby appoints RBC Capital Markets and JPMorgan Securities LLC, as underwriters for the purchase and sale of the Bonds pursuant to terms to be mutually agreed upon.

(8) If requested by BSMH or bond counsel, the Authority shall, at the expense of BSMH, make application to the Internal Revenue Service for such tax rulings as may be necessary or desirable in connection with the issuance of all or part of the Bonds, and the Chairman and the Vice Chairman of the Authority are hereby authorized to execute an appropriate power of attorney naming such counsel as BSMH may request for the purposes of seeking such ruling.

(9) The Secretary of the Authority is directed to forward a copy of this Resolution to the Board of Supervisors of Henrico County, Virginia. The Authority hereby recommends that the Board of Supervisors of Henrico County, Virginia, approve the issuance of the Bonds after a public hearing (as to which proper notice is given by publication in a newspaper of general circulation) in accordance with the provisions of Section 147(f) of the Code and Section 15.2-4906 of the Act.

(10) Nothing contained in this resolution shall require the expenditure of any funds of the Authority for any purpose whatsoever except such as may be derived from the proceeds of the Bonds issued pursuant hereto, it being understood that BSMH will reimburse the Authority for all reasonable and necessary direct out-of-pocket expenses that the Authority may incur arising from the adoption of this resolution and the performance by the Authority of its obligations hereunder and that are not paid with the proceeds of the Bonds, including the Authority's fees and expenses, including counsel fees. In addition, BSMH shall pay to the Authority a one-time fee in accordance with the Authority's fee schedule, payable upon the issuance of the Bonds. If for any reason such Bonds are not issued, it is understood that all such expenses shall be paid by BSMH and that the Authority shall have no responsibility therefor.

(11) This resolution shall take effect immediately and shall expire one year from the date hereof unless the Bonds are issued within such time.

Certificate

The undersigned [Assistant] Secretary of the Economic Development Authority of Henrico County, Virginia hereby certifies that the foregoing is a true, correct, and complete copy of a resolution duly adopted by the Board of Directors of the Economic Development Authority of Henrico County, Virginia present and voting at a meeting duly called and held on January 16, 2025, and that such resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect on the date hereof.

WITNESS my hand and the seal of the Authority this 16 day of January, 2025.



[Assistant] Secretary
Economic Development Authority of
Henrico County, Virginia

(SEAL)

52198203

WHEREAS, representatives of BSMH have appeared before the Richmond EDA at a public hearing held on the date hereof (as to which proper notice was given by publication in a newspaper of general circulation February 20, 2025), such public hearing being required by Section 15.2-4906 of the Act and Section 147(f) of the Code; and

WHEREAS, BSMH has requested that the Richmond EDA approve the issuance of the Bonds and recommend that the City Council of the City of Richmond express its concurrence with the Inducement Resolution and approve the issuance of the Bonds to comply with Section 147(f) of the Code and Section 15.2-4905 of the Act so that the Henrico Authority may issue the Bonds for the benefit of, among others, BSMH and its nonprofit affiliates including Richmond Community Hospital as described above;

NOW THEREFOR BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND:

1. The Richmond EDA approves the issuance of the Bonds by the Henrico Authority for the benefit of BSMH and its nonprofit affiliates and the application of the proceeds thereof for the purposes described above for all purposes for which such approval is required.
2. The approval granted in this Resolution shall be contingent upon (a) the approval of the issuance of the Bonds by the Henrico Authority, and (b) the approval and concurrence by the City Council of the City of Richmond, as recommended in Section 3 below.
3. The Richmond EDA recommends that the City Council of the City of Richmond concur in the Inducement Resolution of the Henrico Authority and approve the issuance of the Bonds to the extent required by Section 147(f) of the Code and Section 15.2-4905 of the Act.
4. The approval of the issuance of the Bonds does not constitute an endorsement by the Richmond EDA or the City of Richmond to a prospective purchaser of the Bonds of the creditworthiness of BSMH, nor does it constitute a pledge of contributions of any kind from the Richmond EDA or the City of Richmond. Neither the Richmond EDA nor the City of Richmond, nor any of their elected representatives, commissioners, officers, or employees shall have any liability for or related to the Bonds.
5. The Secretary of the Richmond EDA is directed to forward a copy of this Resolution and the minutes of the public hearing held by the Richmond EDA to the City Council of the City of Richmond.
6. This Resolution shall take effect immediately upon its adoption.

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

ATTEST:


Vice Chair

**REPORT ON PUBLIC HEARING WITH RESPECT TO PROPOSED
ISSUANCE OF**

Economic Development Authority of Henrico County, Virginia
Health Facilities Revenue Bonds, Series 2025
(Bon Secours Mercy Health, Inc.)

DATE: March 6, 2025

TO: Bonnie M. Ashley, Deputy City Attorney, City of Richmond, Virginia

FROM: Erin A. Sutton, Esq., Dinsmore & Shohl LLP, Bond Counsel

I. Summary of Proposed Bond Issue

Pursuant to the Industrial Development and Revenue Bond Act, Title 15.2, Chapter 40 of the Code of Virginia of 1950 (as amended, the “Act”) and a plan of finance adopted by Bon Secours Mercy Health, Inc., a Maryland nonstock nonprofit corporation (“Bon Secours Mercy Health”), the Economic Development Authority of Henrico County, Virginia (the “Issuer”) will issue its Health Facilities Revenue Bonds, Series 2025 (the “Bonds”) in one or more series in an aggregate principal amount not to exceed \$600,000,000. The proceeds of the Bonds will be loaned by the Issuer to Bon Secours Mercy Health for the purpose of financing and refinancing hospital facilities of Bon Secours Mercy Health and its nonprofit Affiliates in the Commonwealth of Virginia and to pay costs of issuance related thereto. The Bonds will be special, limited obligations of the Issuer and are neither the Commonwealth, nor any political subdivision thereof, nor the Issuer shall be obligated to pay the debt service thereon or other costs incident thereto except from the revenues and moneys pledged therefor. Neither the faith and credit nor the taxing power of the Commonwealth, or any political subdivision thereof, is pledged to the payment of the principal of such Bonds or the interest thereon or other costs incident thereto. Dinsmore & Shohl, LLP will serve as bond counsel for the Bonds.

The Bonds will be publicly offered with RBC Capital Markets and JPMorgan serving as the lead underwriters.

II. Report on Public Hearing

A public hearing was convened at 5:30 P.M. on Thursday, February 27, 2025 (the “Public Hearing”), at the offices of the Economic Development Authority of the City of Richmond in the 3rd Floor Conference Room at Main Street Station, 1500 East Main Street, Richmond, Virginia 23219. Notice of the public hearing was published on February 20, 2025 in the Richmond Times-Dispatch as evidenced by an Affidavit of Publication, a copy of which is attached hereto as Exhibit A. Bond counsel, Erin A. Sutton, Esq., from Dinsmore & Shohl LLP, opened the public meeting and presented an overview of the plan of finance. Greg Simmons, CFO of St. Mary’s Hospital and Richmond Community Hospital (“RCH”) was also present and gave the board an update on recent capital improvements at RCH. There were no comments received from the general public with respect to the issuance of the Bonds or the financing of the Project. The Public Hearing was closed at approximately 5:45 P.M.



Erin A. Sutton, Esq.

EXHIBIT A

Richmond Times-Dispatch

See Proof on Next Page

AFFIDAVIT OF PUBLICATION

State of Florida, County of Broward, ss:

Laquansay Nickson Watkins, being first duly sworn, deposes and says: That (s)he is a duly authorized signatory of Column Software, PBC, duly authorized agent of Richmond Times Dispatch, a newspaper printed and published in the City of Richmond, State of Virginia, and that this affidavit is Page 1 of 2 with the full text of the sworn-to notice set forth on the pages that follow, and the hereto attached:

PUBLICATION DATES:

Feb. 20, 2025

NOTICE ID: sjsqdDhpWU3JMpDRDOjZ

PUBLISHER ID: COL-7003505

NOTICE NAME: Richmond TEFRA Notice

Publication Fee: 804.01

Ad Size: 2 X 76 L

Category: General Legal Notice

Under penalty of perjury, I, the undersigned affiant swear or affirm that the statements above are true and accurate to the best of my knowledge and belief.

Laquansay Nickson Watkins

(Signed) _____

VERIFICATION

State of Florida
County of Broward



Subscribed in my presence and sworn to before me on this: 02/21/2025

S. Smith

Notary Public

Notarized remotely online using communication technology via Proof.

Richmond TEFRA

NOTICE OF PUBLIC HEARING ON PROPOSED TAX-EXEMPT BOND FINANCING

Notice is hereby given that the Economic Development Authority of the City of Richmond (the "Richmond EDA") will hold a public hearing on the application of Bon Secours Mercy Health, Inc., a Maryland nonstock nonprofit corporation authorized to do business in the Commonwealth of Virginia (the "Applicant") with its principal place of business at 1701 Mercy Health Place, Cincinnati, Ohio, and certain of its nonprofit affiliates for the Economic Development Authority of Henrico County, Virginia (the "Henrico Authority") to issue, pursuant to the Industrial Development and Revenue Bond Act (the "Act"), up to \$600,000,000 aggregate principal amount of its tax-exempt bonds, in one or more series (the "Series 2025 Bonds") to assist the Applicant in financing or refinancing the acquisition, construction, equipping, expanding, renovating and improving of certain hospital facilities including routine capital expenditures and reimbursement (collectively, the "Projects") and the payment of certain expenses incurred in connection with the issuance of the Series 2025 Bonds (collectively, the "Financing Purposes") including facilities located at the following location: 1500 North 28 th Street, Richmond, Virginia 23223, commonly known as Richmond Community Hospital (the "Richmond Community Hospital Project"). The initial owner or principal user of the Richmond Community Hospital Project will be the Applicant or certain of its nonprofit affiliates, each a nonprofit corporation or wholly-owned limited liability company operating in the Commonwealth, as follows: Bon Secours Richmond Community Hospital LLC; Bon Secours Medical Group Richmond Primary Care LLC; Bon Secours Medical Group Richmond Specialty Care LLC; Bon Secours Richmond LLC; Bon Secours Richmond Health System, Inc. or a related party thereof. The Series 2025 Bonds will be issued as qualified 501(c)(3) bonds as defined in Section 145 of the Internal Revenue Code of 1986, as amended, for the benefit of the Applicant and such nonprofit affiliates which operate a healthcare system on several campus sites. The Projects are and will be used by the Applicant in an integrated operation for the delivery of healthcare, education, scientific research and administrative activities supporting those activities on several campuses, and not more than \$600,000,000 of the stated principal amount of the Series 2025 Bonds will be spent to finance or refinance the acquisition, construction, equipping, expanding, renovating and improving of such assets and facilities. A portion of the proceeds of the Series 2025 Bonds not exceeding \$15,000,000 is expected to be spent for the Richmond Community Hospital Project.

The public hearing which may be continued or adjourned, will be held at 5:00 P.M. on February 27, 2025, before the Richmond EDA in the 3rd Floor Conference Room at Main Street Station, 1500 East Main Street, Richmond, Virginia 23219. Any person interested in the issuance of the bonds or the location or purpose of the proposed Projects may appear and be heard.

As required by the Act, the bonds will not constitute a debt or a pledge the faith and credit or the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the City of Richmond, Virginia, the Richmond EDA, the Henrico Authority or Henrico County, Virginia, but will be payable solely from revenues derived from the Applicant and pledges thereof.
COL-7003505