

INTRODUCED: November 3, 2014

AN ORDINANCE No. 2014-237-210

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Stone Brewery Cooperation Agreement between the City of Richmond and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of Authority facilities that will house the operations of KoochenVagner’s Brewing Co., doing business as Stone Brewing Co.

\_\_\_\_\_  
Patron – Mayor Jones

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

PUBLIC HEARING: NOV 10 2014 AT 6 P.M.

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute a Stone Brewery Cooperation Agreement between the City of Richmond and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of Authority facilities that will house the operations of KoochenVagner’s Brewing Co., doing business as Stone Brewing Co. The Stone Brewery Cooperation Agreement shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

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

AYES:            9            NOES:            0            ABSTAIN: \_\_\_\_\_

ADOPTED:    NOV 10 2014    REJECTED: \_\_\_\_\_    STRICKEN: \_\_\_\_\_



CITY OF RICHMOND  
INTRACITY CORRESPONDENCE

O & R REQUEST

OCT 31 2014

Chief Administration Office  
City of Richmond

RECEIVED  
NOV 11 2014

O & R REQUEST

OFFICE OF CITY ATTORNEY

RECEIVED  
NOV 3 2014  
EDITION 1  
Mayor's Office City of Richmond

DATE: October 30, 2014

TO: The Honorable Members of City Council

THROUGH: Dwight C. Jones, Mayor *[Signature]*

FROM: Christopher Beschler, Chief Administrative Officer *[Signature]*

FROM: Norm Butts, Deputy Chief Administrative Officer, Finance & Administration *[Signature]*

FROM: L. Peter Downey, Deputy Chief Administrative Office for Planning and Economic and Community Development *[Signature]*

RE: Cooperation Agreement by and between the City of Richmond and the Richmond Economic Development Authority

ORD. OR RES. No. \_\_\_\_\_

**PURPOSE:** To authorize the Chief Administrative Officer, on behalf of the City of Richmond, to execute the Stone Brewing Cooperation Agreement between the City of Richmond, Virginia, the Economic Development Authority of the City of Richmond, Virginia ("EDA").

**REASON:** In order for the City to enter into the proposed Cooperation Agreement with the EDA, City Council action is required.

**RECOMMENDATION:** The City Administration recommends adoption of this ordinance.

**BACKGROUND:** After an eight month site selection process that generated over 250 responses from communities along the eastern seaboard, the Company has chosen the City of Richmond in which to expand their operations. It plans to locate an east coast brewery, distribution and a Bistro in the area of the City known as the Greater Fulton Community.

The City has worked diligently with the Company to identify a suitable location in the City to meet the logistical and operational needs of the Brewery and Bistro, while stimulating revitalization, jobs and tourism in an area of the City that needs private investment. Through that process, the City identified opportunities to partner with the Economic Development Authority to develop the Facility and to assist in achieving key economic development objectives.

201411002

The EDA will serve as the developer and owner of the Facility, which will be built in two phases. Phase I will be a 200,000 +/- square foot brewery and distribution facility expected to cost up to \$23 million. The Brewery is scheduled to be open and operational by June 2016 and employ a minimum of 90 full time employees with an average salary of \$57,024. Within the later of three years of the completion of Phase I or twelve months after the closure of Water Street by the City, the Company and the EDA will commence the construction of Phase II, which is estimated to cost \$8 million and will consist of a bistro-style restaurant and beer garden that will employ approximately 200 employees. The Economic Development Authority will then lease the Facility back to the Company for a period up to 25 years. The debt service on the loan will be repaid through lease revenues, over the lease term.

The Company will be investing a minimum of \$41 million for machinery and tools and a minimum of \$1.7 million in furniture and fixtures.

**FISCAL IMPACT / COST:** The Cooperation Agreement stipulates that the City shall appropriate \$23 million for Phase I and \$8 million for Phase II for the purpose of making a grant to the EDA, for the construction of a production facility and bistro for Stone Brewing Co. The payment of rent or other monies in an amount which, in aggregate over the life if the Cooperation Agreement is equal to the full amount if the City outlay. The Lease shall require DA will then enter in to a 25 year lease with Stone Brewing.

**FISCAL IMPLICATIONS:** The Cooperation Agreement stipulates that the City will grant the funds necessary to complete the development plan to the EDA, which will to finance the development of the production facility and bistro. The debt service will be repaid to the EDA through lease payment made over a 25year lease term. The transactions enabled by the package of ordinances are expected to generate approximately \$31,000,000 in taxable real estate improvements and investment in the City to include a brewery, distribution facility, Bistro and Beer Garden. The projected investment in machinery and tools in the first five years is a minimum of \$41 million and \$1.7 million for personal property.

**BUDGET AMENDMENT NECESSARY:** None

**REVENUE TO CITY:** New taxes generated from the new development, Machinery and Tools taxes, Personal Property taxes, Real Estate taxes, BPOL, Meals taxes and Retail Sales taxes DPU PILOT.

**DESIRED EFFECTIVE DATE:** Upon adoption.

**REQUESTED INTRODUCTION DATE:** November 10, 2014

**CITY COUNCIL PUBLIC HEARING DATE:** December 8, 2014

**REQUESTED AGENDA:** Regular

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

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** The Economic Development Authority must approve the proposed Performance Agreement.

**AFFECTED AGENCIES:** Chief Administrative Officer; City Attorney; Economic and Community Development; Planning and Development Review; Parks, Recreation and Community Facilities; and Public Works.

**RELATIONSHIP TO EXISTING ORD. OR RES.:**

**REQUIRED CHANGES TO WORK PROGRAM(S):** City employees will be assigned to provide the necessary assistance to the Economic Development Authority.

**ATTACHMENTS:** Cooperation Agreement

**STAFF:** Lee Downey, Director, Economic & Community Development, 646-5633  
Jane Ferrara, Deputy Director, Economic & Community Development, 646-5633  
Christopher Beschler, Chief Administrative Officer, 646-7978.

## STONE BREWERY COOPERATION AGREEMENT

*As Amended*

THIS STONE BREWERY COOPERATION AGREEMENT (the "Cooperation Agreement") is dated as of March 2, 2015, and entered into by and between the City of Richmond, Virginia, a municipal corporation and political subdivision of the Commonwealth of Virginia (the "City"), and the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia (the "Authority").

### RECITALS

- A. The City and the Authority desire to assist in the construction of Facilities, as defined herein, on certain property owned or to be acquired by the Authority, located at the Sites, as defined herein.
- B. The City and the Authority anticipate that the Facilities will consist of an approximately 200,000 square foot industrial facility suitable for a brewery production and distribution center, and a facility for commercial enterprise to include retail food and beverage sales, parking, and ancillary development necessary to accommodate the operations of, and to be leased to, the Company, as defined herein.
- C. The City desires the Authority to undertake certain activities relating to the Facilities and, to provide funding for those activities, desires to make the Appropriations, as defined herein.
- D. The City is authorized by section 15.2-953(B) of the Code of Virginia to make appropriations of money to the Authority for the purpose of promoting economic development.
- E. The Facilities qualify as "Authority facilities" or "Taxable authority facilities" as defined by section 15.2-4902 of the Code of Virginia, and the Authority is authorized by the Industrial Development Authority and Revenue Bond Act, title 15.2, chapter 49 of the Code of Virginia, and other laws to perform the activities contemplated in this Cooperation Agreement.
- F. The City and the Authority are of the opinion that the construction and leasing of the Facilities for the operations of the Company will promote economic development in the areas surrounding the Sites and in the city as a whole.
- G. The City and the Authority desire the Authority to assist in the construction of the Facilities by acquiring the land at the Sites; by entering into contracts for design, construction, and related services for the Facilities; and by entering into long-term leases of the Facilities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which both parties acknowledge, and in consideration of the mutual covenants hereinafter set forth, the City and the Authority agree as follows:

1.0 **Preliminary Provisions.**

1.1 **Purpose.** The purpose of this Cooperation Agreement is to enable the City and the Authority to work together to facilitate the transactions described herein for the purpose of funding, constructing and leasing the Facilities.

1.2 **Incorporation of Recitals and Exhibits.** The foregoing recitals are true and correct and are incorporated herein by reference.

1.3 **Definitions.** Words, terms and phrases used in this Cooperation Agreement have the meanings ascribed to them by this section below, unless the context clearly indicates that another meaning is intended.

1.3.1 **Appropriations.** “Appropriations” means both the Phase 1 Appropriation and the Phase 2 Appropriation.

1.3.2 **Authority.** “Authority” means the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia.

1.3.3 **Chief Administrative Officer.** “Chief Administrative Officer” means the Chief Administrative Officer of the City of Richmond, Virginia.

1.3.4 **City.** “City” means the City of Richmond, Virginia, a municipal corporation and political subdivision of the Commonwealth of Virginia.

1.3.5 **City Outlay.** “City Outlay” means the Appropriations plus all debt service incurred by the City thereon.

1.3.6 **Company.** “Company” means KoochenVagner’s Brewing Co., d/b/a Stone Brewing Co.

1.3.7 **Cooperation Agreement.** “Cooperation Agreement” means this Stone Brewery Cooperation Agreement.

1.3.8 **Expansion Date.** “Expansion Date” means the date the Company commences design of the Phase 2 Facility, anticipated to be the later of June 1, 2019 or twelve months after the date on which the portion of Water Street necessary for the construction of the Phase 2 Facility is closed and vacated by the City.

1.3.9 **Facilities.** “Facilities” means both the Phase 1 Facility and the Phase 2 Facility.

1.3.10 **Lease.** “Lease” means the agreement to be entered into between the Authority and the Company for the leasing of the Facilities by the Authority to the Company. For purposes

of this Agreement, although singular, "Lease" may refer to more than one agreement if necessary for the Company's use and occupancy of the Facilities.

- 1.3.11 **Phase 1 Appropriation.** "Phase 1 Appropriation" means appropriation of an amount not to exceed \$23,000,000 for the purpose of making a grant to the Authority for the development and construction of the Phase 1 Facility.
- 1.3.12 **Phase 2 Appropriation.** "Phase 2 Appropriation" means appropriation of an amount not to exceed \$8,000,000 for the purpose of making a grant to the Authority for the development and construction of the Phase 2 Facility.
- 1.3.13 **Phase 1 Facility.** "Phase 1 Facility" means improvements to the Phase 1 Site consisting of an approximately 200,000 square foot industrial facility suitable for a brewery production and distribution center, and any ancillary development necessary to accommodate the operations of, and to be leased to, the Company.
- 1.3.14 **Phase 2 Facility.** "Phase 2 Facility" means improvements to the Phase 2 Site, including rehabilitation of an existing 30,000 square foot building known as the Intermediate Terminal Warehouse No. 3, such improvements to constitute a facility for commercial enterprise including retail food and beverage sales, parking, and any ancillary development necessary to accommodate the operations of the Company.
- 1.3.15 **Phase 1 Site.** "Phase 1 Site" means the property owned or to be acquired by the Authority consisting of an assemblage of all or a portion of those properties listed as "Phase 1," and further depicted, on Exhibit A attached hereto and made a part hereof and such other property as may be required for the Phase 1 Facility.
- 1.3.16 **Phase 2 Site.** "Phase 2 Site" means the property owned or to be acquired by the Authority consisting of an assemblage of all or a portion of those properties listed as "Phase 2," and further depicted, on Exhibit A attached hereto and made a part hereof, including property located at 3101 East Main Street, owned by the City subject to an option held by Restaurateur, Inc., and such other property as may be required for the Phase 2 Facility.
- 1.3.17 **Project Fund.** "Project Fund" means the fund established pursuant to section 3.4.1 ("Establishment") of this Cooperation Agreement.
- 1.3.18 **Sites.** "Sites" means both the Phase 1 Site and the Phase 2 Site.
- 1.4 **Duration.** This Cooperation Agreement will be in force and effect beginning on the date written first above and shall expire when all obligations have been performed and all rights have been fully exercised by both the City and the Authority.
- 2.0 **Obligations and Rights of the City.**

- 2.1 **Payment of Appropriations.** The City shall pay over to the Authority the Appropriations, without any rights of set-off, recoupment or counterclaim, in accordance with the provisions of this section. The City and the Authority acknowledge that, to the extent the Appropriations involve any funding in the form of grants or loans from the U.S. Department of Housing and Urban Development, certain federal requirements may apply and that any such funds and requirements would be the subject of a separate agreement or agreements.
- 2.1.1 **Phase 1 Appropriation.** The City shall pay the Phase 1 Appropriation to the Authority as soon as is possible after the City is able to make the draw from a line of credit with a financial institution, or to obtain funding from such other source or sources as may be necessary and available, as contemplated to finance the Appropriation.
- 2.1.2 **Phase 2 Appropriation.** The City shall pay the Phase 2 Appropriation as soon as is practicable after the Expansion Date.
- 2.2 **Administrative Assistance.**
- 2.2.1 **Authority's Agent.** It is the intent of the City and the Authority that the various contracts anticipated by this Agreement, including the Lease and contracts for design, construction, and related services for the Facilities will be administered at no cost to or liability upon the Authority beyond the amount of the Appropriation and any rents received by the Authority pursuant to the terms of the Leases. To that end, the Chief Administrative Officer shall designate no more than one City employee each for the administration of any contract for which the Authority identifies the need for administrative assistance. Upon the identification by the Authority of such need, the Chief Administrative Officer shall submit the name and contact information of the Chief Administrative Officer's designee or designees as the Authority's agent or agents to the Authority for the Authority's approval. If the Authority rejects one or more of the Chief Administrative Officer's designees, the Chairman of the Authority and the Chief Administrative Officer will confer and agree on a City employee or employees whom the Chief Administrative Officer and the Authority will approve as the Authority's agent.
- 2.2.2 **Duties of Agent.** The City employee serving as the Authority's agent for the administration of a contract shall be responsible for performing all functions of the Authority under that contract and shall have the power to exercise all of the rights of the Authority under that contract. The intent of designating no more than one agent for each contract is intended to enable all activities concerning that contract to be coordinated through a single person. The City employee serving as the Authority's agent shall work with other City staff and resources as needed to perform the functions required of the Authority under the contract. The City employee serving as the Authority's agent shall attend a board meeting of the Authority at least once each quarter to provide updates and answer questions about the administration of the contract. The City employee serving as the Authority's agent shall provide to, or make available for inspection by, as mutually agreed upon by the City employee and the requester, the Authority or any of its members, such documentation as the Authority or its members may reasonably request.

- 2.3 **Subject-to-Appropriations.** All payments and other performances by the City under this Cooperation Agreement are subject to approval by the City Council and annual or periodic appropriations therefor by the City Council. It is understood and agreed between the City and the Authority that the City shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purposes of performing this Cooperation Agreement. Under no circumstances shall the City's total liability under this Cooperation Agreement exceed the total amount of the funds appropriated by the City Council for the City's performance of this Cooperation Agreement.
- 3.0 **Obligations and Rights of the Authority.**
- 3.1 **Acquisition of Sites and Leasing of Facilities.**
- 3.1.1 **Phase 1 Site.** Upon agreement as to terms between the Authority and the owners of the Phase 1 Site and subject to approval by the Authority's Board of Directors and approval as to form by Counsel to the Authority, the Authority shall enter into such contracts and other agreements as may be necessary to acquire, and shall acquire, the Phase 1 Site.
- 3.1.2 **Phase 2 Site.** The City shall endeavor to convey unencumbered title to the Phase 2 Site to the Authority. The Performance Agreement dated November 14, 2014 ("Performance Agreement"), among the City, the Authority, and the Company refers to the "Phase II Property" of "the Project," both as defined therein. If the development of the Phase II Property as defined in the Performance Agreement has not commenced upon the later to occur of December 31, 2021, or 36 months after completion of the "City Obligations" as set forth in Section 5.1 of the Performance Agreement, including without limitation the City's closure of Water Street, the City shall have the right to require that the Authority convey title to the Phase II Site back to the City, and the Authority shall forthwith execute and deliver a deed and any other documents necessary to convey the property to the City.
- 3.2 **Construction of Facilities.** Upon the acquisition of the Sites by the Authority, which the City and the Authority understand will be in accordance with any schedules necessary to accommodate the timing of construction for the Phase 1 Facility and the Phase 2 Facility the Authority shall enter into any contracts the Authority deems necessary to design, construct and otherwise provide for the Facilities. The Authority acknowledges that the City desires that 40 percent of all expenditures for the design and construction of the Facilities be spent with minority business enterprises or emerging small businesses, either or both, as those terms are defined in section 74-4 of the Code of the City of Richmond, that perform commercially useful functions with regard to the design and construction of the Facilities, and the Authority agrees that, to the extent permitted by law, the Authority will endeavor to achieve such 40 percent goal.
- 3.3 **Lease.** The Authority shall enter into the Lease and such other agreements as may be necessary with the Company as the Authority deems appropriate for the Company's use and occupancy of the Facilities. Any such Lease shall require payment of rent or other

monies from the Company in an amount which, in the aggregate over the life of this Agreement, is at least equal to the full amount of the City Outlay and provide for any additional costs involved in the design, construction and leasing of the Facilities.

**3.4 Project Fund.**

**3.4.1 Establishment.** The Authority shall establish a fund in its accounting and budgetary structure, into which the Authority shall deposit all funds received pursuant to this Cooperation Agreement and all revenue derived from the Facilities, and from which the Authority shall make all disbursements required for the design, construction and leasing of the Facilities.

**3.4.2 Bank Account.** The Authority may deposit all such funds received into one interest-bearing checking account, or more than one account, if necessary to secure Federal Deposit Insurance Corporation protection, at a financial institution selected by the Authority.

**3.4.3 Accounting.** The Authority shall prepare financial reports and statements of all financial activity relating to the Project Fund in accordance with generally accepted accounting principles, or such other or additional method mutually agreeable to the City and the Authority. The Authority may use its accountant to prepare the reports and statements if it chooses, and the Authority may include these reports and statements in its regular reports and statements on other activities of the Authority.

**3.4.4 Disposition.**

**3.4.4.1 Use of Appropriation.** The City and the Authority intend that the Authority expend the Appropriation for the design, construction and other preparations for use and occupancy of the Facilities by the Company.

**3.4.4.2 Application of Revenues.** Revenues in the Project Fund (whether from the residue of the Appropriation, provided any use of such residue complies with any applicable laws or bond covenants, including any restrictions on the use of such residue for other than capital expenditures; the rents or other revenues from the Lease; or any other source arising from the Facilities and received by the Authority) shall first be applied to the payment of the costs of constructing and leasing the Facilities and shall then be paid to the City, subject to the provisions of section 3.4.4.3 below, in a manner and on a schedule acceptable to the City's Chief Administrative Officer or a designee thereof and the Chairman of the Authority or a designee thereof, in an amount or amounts, which, in the aggregate over the life of this Agreement, are equal to the full amount of the City Outlay.

**3.4.4.3 City Outlay.** It is the intent of the City and the Authority that, to the extent funds are available in the Project Fund and not obligated to pay any contractual arrangements requested by the City or authorized to be undertaken by the Authority pursuant to this Cooperation Agreement, the City Outlay shall be paid back to the City but subject to reserves as may be commercially reasonable. The Authority shall not be required to

expend any funds derived from any source other than revenues from the Facilities to pay back the City Outlay. The City and the Authority acknowledge that the Authority has no legal obligation to return the City Outlay other than to the extent funds are available in the Project Fund in accordance with this Cooperation Agreement, as the City provides the Appropriation to the Authority as an appropriation pursuant to section 15.2-953(B) of the Code of Virginia and not as a loan.

**3.4.4.4 Revenues Net of City Investment.** Provided the revenues derived by the Authority from the leasing and operation of the Facilities at the Sites by the Company allow the repayment of the City Outlay, in accordance with the provisions of section 3.4.4.2 of this Agreement, all additional revenues received by the Authority, including any interest or income earned on the Project Fund, shall be the property of the Authority to be used only for economic development projects and activities, including staff support, pursuant to a cooperation agreement concerning such project or activity between the City and the Authority. Notwithstanding the foregoing, the Authority may, in its sole discretion, use such additional revenues for capital, operating, and administrative costs relating to the Facilities and the Sites, including but not limited to costs associated with acquisition of land or other property interests necessary or desirable for the construction, leasing, and operation of the Facilities at the Sites.

### **3.5 Limitations on Authority's Obligations.**

**3.5.1 Authority Bond.** The Authority shall not be required to furnish the City with a fidelity bond covering all officers or employees of the Authority capable of authorizing disbursements of funds or handling funds received from the City or any other party or disbursed by the Authority to any other party pursuant to this Cooperation Agreement.

**3.5.2 Authority Liability.** It is the intent of the parties not to impose upon the Authority any responsibility other than what may be required to consummate the transactions contemplated by and perform the obligations specified in this Cooperation Agreement. Accordingly, the Authority does not assume any responsibility or liability whatsoever except as specifically stated herein. Should any liability accrue to the Authority which is not specifically addressed in this Cooperation Agreement, the Authority shall not be required to expend funds the Authority derives from sources other than those provided for by this Cooperation Agreement to discharge such liability. If a lawsuit involving the subject matter of this Cooperation Agreement is filed or expected to be filed against the Authority, the Authority shall immediately notify the City Attorney and Chief Administrative Officer.

**3.5.3 Availability of Funds.** The Authority's obligation to undertake and perform the activities required of the Authority herein is specifically conditioned on the availability of funds in the Project Fund for the Authority to perform the Authority's obligations hereunder. The Authority shall not be required to expend funds the Authority derives from sources other than those provided for by or described in this Cooperation Agreement for the performance of the Authority's obligations under this Cooperation Agreement. The Authority's obligation to undertake the activities herein is specifically

conditioned upon the City providing funding on a timely basis; provided, however, the City's obligation is subject to appropriation by the City Council and availability of funds.

4.0 **Miscellaneous Provisions.**

4.1 **Audit.** Pursuant to section 2-224(c) of the Code of the City of Richmond, the Authority shall be subject to periodic audits by the City Auditor, at the City's expense, on demand and without notice of its finances and expenditures of the Project Fund. In addition, the Authority shall afford the City access to all records relating to the expenditure of the Project Fund, wherever located, for such examination and audit by the City as the City may desire. The Authority shall afford the City the opportunity to make copies of any records that the City has the rights under this Cooperation Agreement to access, examine, and audit.

4.2 **Captions.** All section titles or captions in this Cooperation Agreement are for convenience of reference only. They should not be deemed to be part of this Cooperation Agreement or to in any way define, limit, extend, or describe the scope or intent of any provisions of this Cooperation Agreement.

4.3 **Counterparts.** This Cooperation Agreement may be executed by the City and the Authority in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same Cooperation Agreement.

4.4 **Entire Agreement.** This Cooperation Agreement contains the entire understanding between the City and the Authority and supersedes any prior understandings and written or oral agreements between them respecting this subject matter. There are no representations, agreements, arrangements, or understandings, oral or written, between the City and the Authority relating to the subject matter of this Cooperation Agreement that are not fully expressed in this Cooperation Agreement.

4.5 **Governing Law and Forum Choice.** All issues and questions concerning the construction, enforcement, interpretation and validity of this Cooperation Agreement, or the rights and obligations of the City and the Authority in connection with this Cooperation Agreement, shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. Any and all disputes, claims and causes of action arising out of or in connection with this Cooperation 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 this Cooperation Agreement is subject to litigation.

- 4.6 **Modifications.** This Cooperation Agreement may be amended, modified and supplemented only by the written consent of both the City and the Authority preceded by all formalities required as prerequisites to the signature by each party of this Cooperation Agreement.
- 4.7 **No Assignment.** This Cooperation Agreement shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the parties hereto; provided, however, that in no event may this Cooperation 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.
- 4.8 **No Individual Liability.** No director, officer, employee or agent of the City or the Authority shall be personally liable to another party hereto or any successor in interest in the event of any default or breach under this Cooperation Agreement or on any obligation incurred under the terms of this Cooperation Agreement.
- 4.9 **No Third-Party Beneficiaries.** Notwithstanding any other provision of this Cooperation Agreement, the City and the Authority hereby agree that: (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Cooperation Agreement; (ii) the provisions of this Cooperation Agreement are not intended to be for the benefit of any individual or entity other than the City or the Authority; (iii) no individual or entity shall obtain any right to make any claim against the City or the Authority under the provisions of this Cooperation Agreement; and (iv) no provision of this Cooperation Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. For purposes of this section, the phrase "individual or entity" means any individual or entity, including, but not limited to, individuals, contractors, subcontractors, vendors, sub-vendors, assignees, licensors and sub-licensors, regardless of whether such individual or entity is named in this Cooperation Agreement.
- 4.10 **Notices.** All notices, offers, consents, or other communications required or permitted to be given pursuant to this Cooperation Agreement shall be in writing and shall be considered as properly given or made if delivered personally, by messenger, by recognized overnight courier service or by registered or certified U. S. mail with return receipt requested, and addressed to the address of the intended recipient at the following addresses:

A. To Authority:

Chairman  
Economic Development Authority of the City of Richmond, Virginia  
501 East Franklin Street, 1<sup>st</sup> Floor  
Richmond, Virginia 23219

With a copy to

General Counsel to the Economic Development Authority  
900 East Broad Street, Room 300  
Richmond, Virginia 23219

B. To the City:

Chief Administrative Officer  
900 East Broad Street, Suite 201  
Richmond, Virginia 23219

With a copy to

City Attorney  
900 East Broad Street  
Richmond, Virginia 23219

Either party may change any of its address information given above by giving notice in writing stating its new address to the other party.

- 4.11 **Public Records.** The City and the Authority acknowledge and agree that this Cooperation Agreement and any other records furnished, prepared by or in the possession of the City or the Authority may be subject to the retention and disposition requirements of the Virginia Public Records Act and the public disclosure requirements of the Virginia Freedom of Information Act.

**SIGNATURES ON FOLLOWING PAGE**

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the day and year first written above.

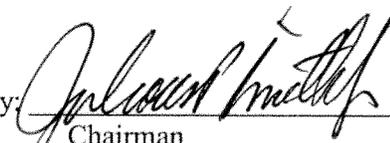
**CITY OF RICHMOND, VIRGINIA**  
a municipal corporation and political subdivision of  
the Commonwealth of Virginia

By:   
\_\_\_\_\_  
Chief Administrative Officer

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

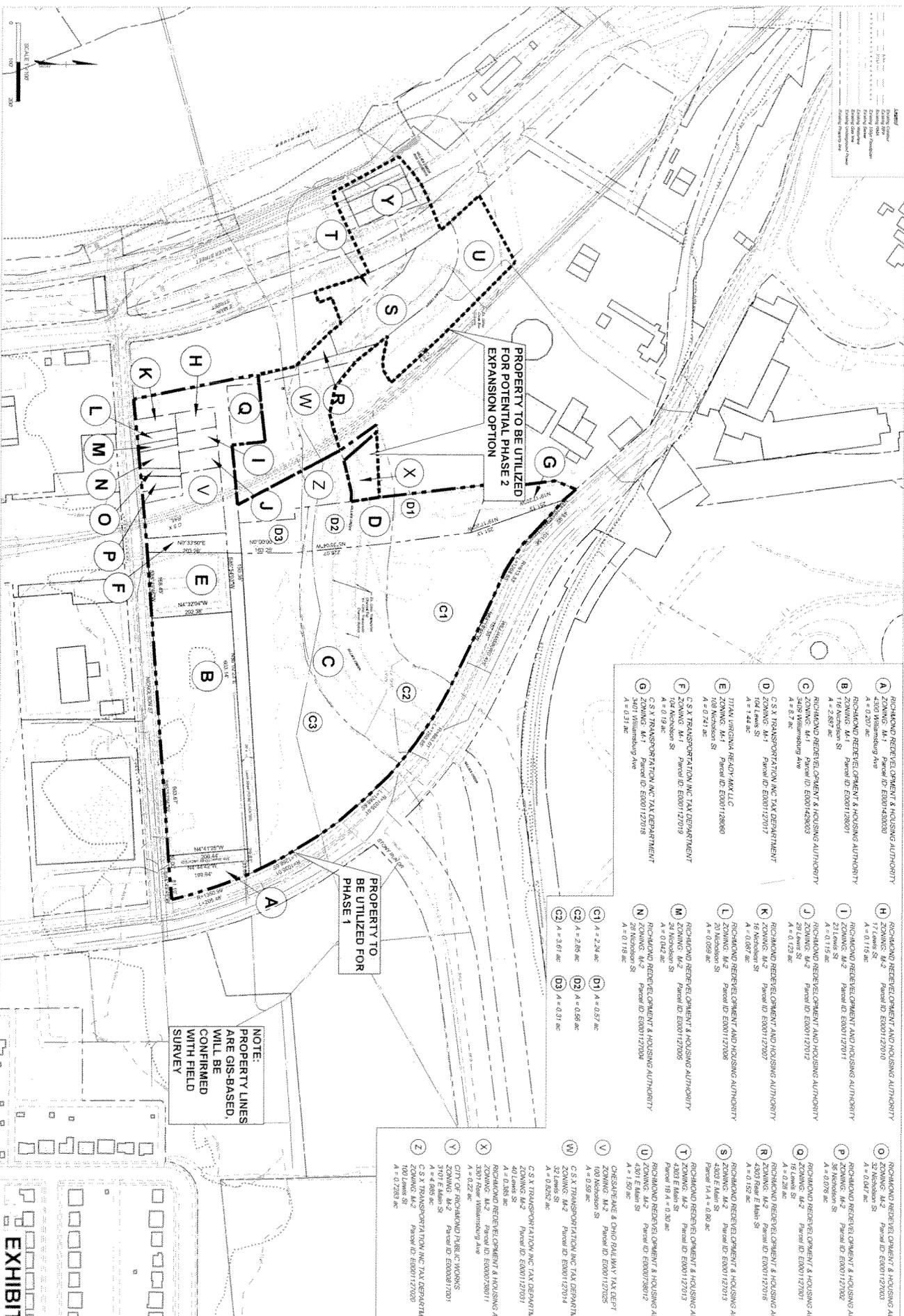
**ECONOMIC DEVELOPMENT AUTHORITY  
OF THE CITY OF RICHMOND, VIRGINIA**  
a political subdivision of the Commonwealth of  
Virginia

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

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Bonnie M. Ashley  
General Counsel to the Authority

Symbol	Description
(Solid line)	Property Boundary
(Dashed line)	Right of Way
(Dotted line)	Utility Line
(Thick solid line)	Phase 1 Property Boundary
(Thick dashed line)	Phase 2 Property Boundary



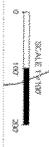
- A** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
4300 Wilmansburg Ave  
A = 0.207 ac
- B** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
116 Madison St  
Parcel ID: E000128001  
A = 0.088 ac
- C** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
3401 Wilmansburg Ave  
Parcel ID: E000128000  
A = 0.7 ac
- D** C.S.X TRANSPORTATION INC TAX DEPARTMENT  
104 Lewis St  
Parcel ID: E000127017  
A = 1.44 ac
- E** C.S.X TRANSPORTATION INC TAX DEPARTMENT  
108 Madison St  
Parcel ID: E000128000  
A = 0.21 ac
- F** C.S.X TRANSPORTATION INC TAX DEPARTMENT  
104 Madison St  
Parcel ID: E000127019  
A = 0.31 ac
- G** C.S.X TRANSPORTATION INC TAX DEPARTMENT  
3401 Wilmansburg Ave  
Parcel ID: E000127018  
A = 0.31 ac
- H** RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127010  
A = 0.115 ac
- I** RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127011  
A = 0.115 ac
- J** RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127012  
A = 0.123 ac
- K** RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127007  
A = 0.087 ac
- L** RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127008  
A = 0.089 ac
- M** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127005  
A = 0.142 ac
- N** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127004  
A = 0.118 ac
- O** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127003  
A = 0.047 ac
- P** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127002  
A = 0.078 ac
- Q** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127001  
A = 0.078 ac
- R** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127016  
A = 0.152 ac
- S** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127013  
A = 0.152 ac
- T** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000127015  
A = 0.30 ac
- U** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000128012  
A = 1.50 ac
- V** OHIO RAILWAY TAX DEPT  
ZONING: M-2  
Parcel ID: E000127025  
A = 0.59 ac
- W** C.S.X TRANSPORTATION INC TAX DEPARTMENT  
ZONING: M-2  
Parcel ID: E000127011  
A = 0.252 ac
- X** C.S.X TRANSPORTATION INC TAX DEPARTMENT  
ZONING: M-2  
Parcel ID: E000127001  
A = 0.252 ac
- Y** RICHMOND REDEVELOPMENT & HOUSING AUTHORITY  
ZONING: M-2  
Parcel ID: E000128011  
A = 0.22 ac
- Z** CITY OF RICHMOND PUBLIC WORKS  
ZONING: M-2  
Parcel ID: E000017001  
A = 0.68 ac
- AA** C.S.X TRANSPORTATION INC TAX DEPARTMENT  
ZONING: M-2  
Parcel ID: E000127020  
A = 0.230 ac

**PROPERTY TO BE UTILIZED FOR POTENTIAL PHASE 2 EXPANSION OPTION**

**PROPERTY TO BE UTILIZED FOR PHASE 1**

**NOTE:**  
PROPERTY LINES ARE GIS-BASED. WILL BE CONFIRMED WITH FIELD SURVEY

**EXHIBIT A**



Phase I:

	Parcel ID	Mailing Address	Acreage
A	E0001430030	4300 Williamsburg Ave	0.207
B	E0001128001	116 Nicholson St	2.887
C	E0001429003	3409 Williamsburg Ave	8.7
D	E0001127017	104 Lewis St	1.44
E	E0001128060	108 Nicholson St	0.741
F	E0001127019	104 Nicholson St	0.19
G	E0001127018	3401 Williamsburg Ave	0.31
H	E0001127010	17 Lewis St	0.115
I	E0001127011	23 Lewis St	0.115
J	E0001127012	29 Lewis St	0.123
K	E0001127007	16 Nicholson St	0.087
L	E0001127006	20 Nicholson St	0.059
M	E0001127005	24 Nicholson St	0.042
N	E0001127004	28 Nicholson St	0.118
O	E0001127003	32 Nicholson St	0.047
P	E0001127002	36 Nicholson St	0.076
Q	E0001127001	16 Lewis St	0.28
V	E0001127025	100 Nicholson St	0.59
Z	E0001127020	100 Lewis St	0.7283
			16.8553

Phase II:

W	E0001127014	32 Lewis St	0.8252
	E0001127031	40 Lewis St	0.385
R	E0001127016	4303 Rear E Main St	0.152
S	E0001127013	4303 E Main St	0.9
T	E0001127013	4303 E Main St	0.3
U	E0000738012	4301 E Main St	1.5
Y	E0000817001	*3101 E Main St	*4.985
X	E0000738011	3301 Rear Williamsburg Ave	0.22
			4.2822

\*Total site acreage, only a portion of this site will be used

Note: Right of way is included in estimated acreage total