



City of Petersburg Virginia

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City Council Special Meeting

May 28, 2024
Petersburg Library
201 W. Washington Street
Petersburg, VA 23803
1:00 PM

City Council

Samuel Parham, Mayor – Ward 3
Darrin Hill, Vice Mayor – Ward 2
Marlow Jones, Councilor – Ward 1
Charles Cuthbert, Jr., Councilor – Ward 4
W. Howard Myers, Councilor – Ward 5
Annette Smith-Lee, Councilor - Ward 6
Arnold Westbrook, Jr., Councilor – Ward 7

City Administration

John "March" Altman, Jr. - City Manager
Anthony Williams - City Attorney
Tangi R. Hill - City Clerk

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1. **Roll Call**
 2. **New Business**
 - a. A Resolution to Ratify the City’s Selection of PPE Casino Resorts Petersburg, LLC – A Subsidiary of Cordish Companies as its Preferred Casino Gaming Operator and Direct the City Manager and City Attorney to Take All Necessary Action to Execute the Development Agreement and Submit the Required Information to the Virginia Lottery Board in Accordance with §58.1-4107(F) of the Code of Virginia
 3. **Adjournment**

A RESOLUTION TO RATIFY THE CITY’S SELECTION OF PPE CASINO RESORTS PETERSBURG, LLC – A SUBIDIARY OF CORDISH COMPANIES AS ITS PREFERRED CASINO GAMING OPERATOR AND DIRECT THE CITY MANAGER AND CITY ATTORNEY TO TAKE ALL NECESSARY ACITON TO EXECUTE THE DEVELOPMENT AGREEMENT AND SUBMIT THE REQUIRED INFORMATION TO THE VIRGINIA LOTTERY BOARD IN ACCORDANCE WITH §581.-4107(F) OF THE CODE FO VIRGINIA

WHEREAS, §58.1-4107(b) of the Code of Virginia authorizes localities who have been identified in the Code of Virginia as “eligible host cities” for the purposes of casino gaming to select its preferred casino gaming operator based giving substantial weight to nine factors identified in the Code; and

WHEREAS, such process approved by the General Assembly and included in the Code of Virginia does not require any sort of competitive bidding or other specified process; and

WHEREAS, notwithstanding in year 2022 when legislation was pending before the Virginia General Assembly to identify Petersburg as an eligible host city, the City of Petersburg retained an independent contractor (Speller Consulting) who, after consideration of other prospective gaming operators, recommended Cordish Companies to be the City’s preferred casino gaming operator; and

WHEREAS, Council, after consideration of the factors identified in §58.1-4107(b) adopted Resolution 22-R-79 (**Exhibit A**) signifying its intention to proceed with Cordish when/if Petersburg were to be named as an eligible host City; and

WHEREAS, the 2022 legislation was not passed by the Virginia General Assembly; and

WHEREAS, similar legislation was considered in the 2024 Virginia Session of the Virginia General Assembly under Senate Bill 628; and

WHEREAS, in advance of SB628 being approved, the City hired another independent contractor (Davenport) who also identified Cordish as the frontrunner for the City’s selection of a preferred casino gaming operator; and

WHEREAS, on April 17, 2024, Senate Bill 628 was enacted to amend §58.1-4107 of the Code of Virginia to authorize the City of Petersburg, to be added to the list of eligible host cities for casino gaming operations effective July 1, 2024; and

WHEREAS, on April 24, 2024 City Council adopted Resolution 24-RES-22 (**Exhibit B**) (which was formally amended to correct a clerical error on May 1, 2024 – **Exhibit C**), affirming its statement of intent expressed in Resolution 22-R-79 and further naming Cordish as its preferred casino gaming operator upon the City being formally added to the list of eligible host cities effective as of July 1, 2024; and

WHEREAS, §58.1-4107(F) of the Code of Virginia provides that “[A]n eligible host city shall promptly submit its preferred casino gaming operator to the Department [Virginia Lottery Board] for review prior to scheduling the referendum required by § 58.1-4123; and

WHEREAS, such a package has been prepared and reviewed by the City and Cordish and has further been reviewed by the City’s independent consultant, Spectrum Gaming Consultants (**Exhibit D**); and

WHEREAS, such package includes an Agreement between the City of Petersburg and Cordish memorializing the details and obligations of the parties with respect to the casino project; and

WHEREAS, Cordish has formed a subsidiary company – PPE CASINO RESORTS PETERSBURG, LLC for the purpose of serving as the preferred casino gaming operator in the City of Petersburg.

NOW therefore be it ORDAINED that City Council does hereby ratify and certify its selection of PPE CASINO RESORTS PETERSBURG, LLC as its preferred casino gaming operator as described in Resolution 22-R-79 and _____ effective upon the City of Petersburg being added to the list of eligible host cities on July 1, 2024; and

BE IT FURTHER ORDAINED that the City Manager is authorized to execute the Agreement memorializing the casino development project on behalf of the City and that the City Manager and City Attorney are hereby directed to take all actions necessary to ensure that said development is commenced and completed in accordance with said Agreement forthwith; and

BE IT FURTHER ORDAINED that upon said Agreement being fully executed and enforceable by all parties; the City Manager and City Attorney are directed to take all actions necessary to submit the package prepared in accordance with §58.1-4107(F) of the Code of Virginia to the Virginia Lottery Board and any other necessary agencies to facilitate licensure of PPE CASINO RESORTS PETERSBURG, LLC as the City's preferred casino gaming operator.

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A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PETERSBURG, VIRGINIA, SELECTING A PREFERRED CASINO GAMING OPERATOR PURSUANT TO CHAPTER 41 OF TITLE 58.1 OF THE CODE OF VIRGINIA SUBJECT TO THE CITY BEING QUALIFIED AS AN ELIGIBLE HOST CITY AND FURTHER REVIEW; CONSIDERATION; AND RATIFICATION BY COUNCIL OF THE NINE (9) ITEMS LISTED IN §58.1-4107(B) OF THE CODE OF VIRGINIA

WHEREAS, the Petersburg City Council has concluded the development and operation of a world-class gaming casino in the City of Petersburg will provide the City with an opportunity for significantly increased revenues to the City, employment for local residents and residents throughout the greater Crater Region, and provide opportunities to expand economic activity in the greater Crater Region; and

WHEREAS, during its 2020 session, the General Assembly of Virginia passed, and the Governor of Virginia signed into law an Act establishing Chapter 41 of Title 58.1 of the Code of Virginia to authorize and regulate the establishment of casino gaming establishments in certain host cities in Virginia (“the Act”); and

WHEREAS, the City of Petersburg desires to qualify during the 2023 Virginia General assembly Session as an “eligible host city” in which the conduct of commercial gaming may be permitted under §58.1-4107(A)(4) of the Act; and

WHEREAS, as an eligible host city, the City will need to select its preferred casino gaming operator to the Commonwealth in accordance with the Act to allow the Commonwealth to conduct a preliminary review of the financial ability and capability of the preferred casino gaming operator to operate and to properly support ongoing casino gaming operations in the City

WHEREAS, in selecting a casino gaming operator, the Act requires that an eligible host city shall have considered and given substantial weight to factors such as:

- (1) The potential benefit and prospective revenues of the proposed casino gaming establishment.
- (2) The total value of the proposed casino gaming establishment.
- (3) The proposed capital investment and the financial health of the operator and any development partners.
- (4) The experience of the operator and any development partners in the operation of a casino gaming establishment.
- (5) Security plans for the proposed casino gaming establishment.

- (6) The economic development value of the proposed casino gaming establishment and the potential for community reinvestment and redevelopment in an area in need of such.
- (7) Availability of city-owned assets and privately-owned assets, such as real property, including where there is only one location practicably available or land under a development agreement between a potential operator and the city, incorporated in the operator's proposal.
- (8) The best financial interest of the city.
- (9) The operator's status as a minority-owned business as defined in § 2.2-1604 of the Virginia Code or the operator's commitment to solicit equity investment in the proposed casino gaming establishment from one or more minority-owned businesses and the operator's commitment to solicit contracts with minority-owned businesses for the purchase of goods and services; and

WHEREAS, the City of Petersburg had the Speller Group consulting firm conduct a review and analysis of potential casino gaming entities throughout the United States; and

WHEREAS, the Speller Group consulting firm presented its findings to the City Council; and

WHEREAS, City Council approved on a unanimous motion to move forward with the exploring the partnership with the Cordish Companies and schedule a special meeting for October 25, 2022, to receive additional information; and

WHEREAS, the Speller Group consulting firm conducted a presentation to the public with the Cordish Companies at the City Council meeting on October 25, 2022; and

WHEREAS, the Speller Group consulting firm conducted a second presentation to the public with the Cordish Companies at the City Council meeting on December 13, 2022.

NOW THEREFORE BE IT RESOLVED that subject to further review, consideration, and ratification by council of the nine (9) items listed in §58.1-4107(B) of the Code of Virginia, the City Council of Petersburg selects The Cordish Companies as its preferred casino operator, contingent on the 2023 Virginia General Assembly qualifying the City as an "eligible host city" in which the conduct of commercial gaming may be permitted under § 58.1-4107 (A) (4) of the Act.

The Cordish Companies will apply for a zoning change through the City of Petersburg, Department of Economic Development, Planning, and Community Development, for their proposed site and request a Planned unit development.

This Resolution shall be in effect from and after the date of its adoption. Adopted by Council on December 13, 2022.

Resolution 22-R-79
Adopted by the City of Petersburg
Council of the City of Petersburg on:
12/13/2023

Nyke D. Henson
Clerk of City Council

RESOLUTION TO CANCEL RFP 58853 AND SELECT CORDISH AS THE CITY'S PREFERRED CASINO GAMING OPERATOR UPON THE CITY BEING FORMALLY ADDED TO THE LIST OF ELIGIBLE HOST CITIES EFFECTIVE AS OF JULY 1, 2024

WHEREAS, in furtherance of its efforts to bring a world-class gaming casino development to the City of Petersburg, during its initial efforts to request that the Virginia General Assembly authorize amendment of §58.1-4107 of the Code of Virginia to add Petersburg to the list of eligible host cities, the City of Petersburg contracted with the Speller Group for consulting services in selecting a preferred casino gaming operator in accordance with §58.1-4107(B); and

WHEREAS, the Speller Group highly recommended that City Council consider selecting “the Cordish Companies” (hereinafter “Cordish”) as its preferred casino gaming operator in the event that the City was authorized to become an eligible host city; and

WHEREAS, on December 13, 2022, Petersburg City Council adopted Resolution 22-R-79 (**Exhibit A**) affirming its intention to select and partner with Cordish subject to further review, consideration, and ratification by council of the nine (9) items listed in §58.1-4107(B) of the Code of Virginia upon the City qualifying as an “eligible host city;” and

WHEREAS, upon continuing these efforts by prefiling Senate Bill 628 in the 2024 Session of the Virginia General Assembly, City Council was instructed to open a Request for Proposals (“RFP”) and to reconsider its expression of intent to partner with Cordish as a condition of the bill continuing forward in the General Assembly; and

WHEREAS, the City complied with this request by issuing RFP 58853 (**Exhibit B**) notwithstanding concerns expressed by its legal counsel that the RFP process is not the proper legal mechanism for making such a selection insofar as this process is typically used under the Virginia Public Procurement Act for prospective purchases of goods and services and that the use of such a process is not otherwise required by the Code of Virginia; and

WHEREAS, pursuant to this RFP process, the City hired another independent consulting firm “Davenport & Company” to review the submissions; and

WHEREAS, in a Town Hall Meeting held on March 22, 2024 by one of the primary patrons of SB628, Davenport revealed its preliminary findings that Cordish was the substantial frontrunner recommendation for selection as the preferred casino gaming operator; and

WHEREAS, on April 16, 2024 (the day before SB628 was considered and enacted), a letter of intent was received by the City Manager’s Office to proceed with Bally’s as the City’s preferred casino gaming operator with a demand that the City sign the letter of intent (**Exhibit C**) or face the bill being voted down or indefinitely tabled; and

WHEREAS, in order to enable the bill to continue in the General Assembly, the Manager signed the letter of intent but returned it only the original sender (not Bally’s); and

WHEREAS, Council did not formally endorse or formally authorize the City Manager to execute the letter of intent in an open meeting of Council as otherwise required; and

WHEREAS, Davenport has issued a preliminary report reiterating its recommendation of Cordish as the City’s preferred casino gaming operator (**Exhibit D**); and

WHEREAS, on April 17, 2024, Senate Bill 628 was enacted to amend §58.1-4107 of the Code of Virginia to authorize the City of Petersburg, to be added to the list of eligible host cities for casino gaming operations effective July 1, 2024; and

WHEREAS, both the independent consultant hired initially (Speller) and the independent consultant hired for the RFP (Davenport) have recommended Cordish; and

WHEREAS, the City has previously formally committed to partner with Cordish; and

WHEREAS, the City’s legal counsel has questioned the propriety of using the RFP process from the outset; and

WHEREAS, the letter of intent signed by the Manager was never formally authorized by City Council; was not executed freely and voluntarily; and was not delivered to Bally’s but instead was signed and returned to the sender in response to a demand as a condition of allowing SB628 to proceed; and

WHEREAS, it is the belief of Council that, based on the recommendations of two independent consultants, Cordish Companies should be selected as the City’s preferred casino gaming operator.

NOW, THEREFORE BE IT RESOLVED that City Council does direct that RFP 58853 be and hereby is CANCELLED, and that any letter of intent as described in this Resolution be RESCINDED, REVOKED, and declared to be NULL AND VOID;

BE IT FURTHER RESOLVED that City Council does hereby readopt and affirm its statement of intent in Resolution 22-R-79 and does hereby select Cordish as its preferred casino gaming operator upon the City being formally added to the list of eligible host cities effective as of July 1, 2024.

I, the undersigned, Clerk of the Council of the City of Petersburg, Virginia, do certify that the foregoing resolution is a true and exact copy of a resolution passed by the said Council at its meeting held on:

April 24, 2024



Clerk of City Council

PETERSBURG CITY COUNCIL RESOLUTION 24-RES-22

CORRECTED PARAGRAPH 7 (correction approved by Council 5/1/2024)

*WHEREAS, **after** a Town Hall Meeting held on **April 14**, 2024 by one of the primary patrons of SB628, Davenport revealed **to the City Manager** its preliminary findings that Cordish was the substantial frontrunner recommendation for selection as the preferred casino gaming operator; and*

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RESORT CASINO HOST COMMUNITY AGREEMENT

This Resort Casino Host Community Agreement (the “Agreement”) is entered into this ____ day of May, 2024 by and between the City of Petersburg, Virginia (the “City”) and PPE Casino Resorts Petersburg, LLC, a Delaware limited liability company authorized to do business in the Commonwealth of Virginia (the “Developer”) (the City and Developer collectively the “Parties”).

WHEREAS, by enacting Senate Bill 628 of the 2024 Session, the Virginia General Assembly has authorized the development and operation of a casino in the City pursuant to the provisions of Title 58.1, Chapter 41 of the Code of Virginia (the “Act”);

WHEREAS, the City has carefully investigated various options for designating a preferred casino gaming operator for the purpose of developing and operating a proposed casino gaming establishment and related development, all as contemplated by the Act;

WHEREAS, Developer expressed interest in developing in the City a destination resort casino hotel with related amenities and entertainment facilities as well as potential additional mixed-use development;

WHEREAS, on April 24, 2024, after giving substantial weight to the standards and criteria set forth in the Act, the City Council of the City adopted Resolution 24-RES-22 in which it selected Developer as its preferred casino gaming operator;

WHEREAS, at its regularly scheduled meeting on May 28, 2024, the City Council unanimously adopted Resolution ____, ratifying the actions taken in Resolution 24-RES-22, formally authorizing the submission of Developer to the Virginia Lottery (the “Lottery”) as the City’s preferred casino gaming operator, and authorizing the City Manager to submit such other required or desirable information to the Lottery and take such other actions as may be necessary to effectuate the City’s selection; and

WHEREAS, consistent with the Act, and subject to licensure by and any required approvals of the Lottery, Developer intends to develop the casino gaming establishment and related developments.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, hereby agree as follows:

General Terms and Conditions:

1. Recitals: The foregoing recitals are incorporated herein as if fully set forth.
2. Project Site: The 92.5 acre Project development site (the “Project Site”) is located off I-95 at Wagner Road along Brassfield Parkway. The Project Site is presently made up of the following four parcels, and may be increased through the acquisition of additional land or decreased through the sale of land at Developer’s discretion:



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Parcel	Parcel #	Address	Acreage	Zoning
A	064020002	2949S Crater Rd	41.021	PUD
B	064020800	161 Wagner Rd	26.316	B-2
C	08201001	301 Wagner Rd	18.889	B-2
D	082010802	155 Wagner Rd	6.221	B-2

3. The Project:

A first-class casino, hotel and entertainment development, inclusive of an interim casino facility, which may include, either in the first or subsequent phases of development, subject to market demand, complementary mixed-use development including, but not limited to, multi-family residential, hotel, office, retail, dining and entertainment uses all as subject to the Project Phasing section below (the “**Project**”). Attached hereto as Exhibit 3.a is a Project site plan. Attached hereto as Exhibit 3.b are schematics of the Project. Attached hereto as Exhibit 3.c are photographs of developments by affiliates and related parties of Developer that are representative of the quality of the Project. Exhibits 3.a-3.c are incorporated herein by reference.

Pending final review.

4. Cooperation; Referendum

The Parties agree to cooperate and coordinate with each other efforts to hold a citywide referendum on November 5, 2024, or as soon thereafter that a Special Election may be held, to allow for casino gambling at the Developer’s Project Site (the “**Referendum**”). It is acknowledged that City is a political subdivision of the Commonwealth of Virginia and as such will not expend public funds to advocate for the passage or defeat of the Referendum. It is further acknowledged that Developer may make efforts and expend funds to publicize and inform citizens of the City about potential positive benefits and impacts of the Project and to promote passage of the Referendum. Developer shall reimburse

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the City for all reasonable costs related to the use of any consultants retained by the City to assist with the submission of the initial submission to the Lottery, including, but not limited to, the fees and costs associated with Spectrum Gaming Group. Developer agrees to share with the City reasonable costs related to any legal challenges to the City's legal authority or decision to select Developer as its Preferred Casino Operator and/or to Developer's right to permit, construct and/or build the Project.

5. Preferred Casino Operator

Designation:

Consistent with Resolutions 24-RES-22 and _____, the City has and shall designate Developer as its preferred casino gaming operator. The City and Developer shall cooperate in good faith for the City to submit Developer as its preferred casino gaming operator to the Lottery in accordance with Va. Code § 58.1-4107(F) as soon as is reasonably practicable and no later than May 31, 2024, or the earliest date on which the Lottery will accept such submission, whichever is later. Upon receiving certification of approval to proceed to the Referendum from the Lottery, the City shall petition the Circuit Court for such a referendum as soon as is reasonably possible and with sufficient time to ensure that the Referendum may be held on November 5, 2024. If the Project is approved in the Referendum, the City shall certify Developer as its preferred casino gaming operator and Developer shall apply for a gaming license within the timeframes specified by Va. Code § 58.1-4109.

6. Zoning & Permitting:

Developer shall be responsible for obtaining all required zoning, waivers, variances, licenses and permits for Phases 1 and 2 of the Project. The City shall work with Developer, to the extent permitted by law, to expedite and facilitate such approvals so long as Developer has properly submitted complete supporting documentation (including payment of all applicable fees) and such approval would be consistent with the Project, design documents and applicable law. City and Developer shall each designate a primary contact responsible for all communication and implementation of this section.

7. Project Branding:

Developer intends to brand Phases 1 and 2 of the Project as Live! Casino & Hotel Virginia and Live! Entertainment District

8. Project Phasing:

The Project is contemplated to be completed in multiple phases, all of which shall be developed in a manner reasonably consistent with the program scope set forth herein. The timing of the Phases shall be in reasonable conformance with the schedules set forth in Exhibit 8.a, which is attached hereto and incorporated herein.

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Phase 1: Developer will complete an interim location for a gaming facility in order to expedite jobs and revenues for the City (“**Phase 1**”). Phase 1 will consist of approximately 1,275 gaming positions, food and beverage, support space and the required parking.

Phase 2: Developer will complete the permanent casino resort (“**Phase 2**”) with approximately:

- 2,000 gaming positions.
- Up to 8 restaurants and bars
- A four star hotel and spa with minimum of 200 hotel rooms
- A conference center with a minimum of approximately 35,000 sf of meeting and function space
- Approximately 3,000 seat entertainment venue
- Pool and fitness center

Pending final review

9. Spin-off Economic Benefits:

It is the intent of the Parties that the Project generate positive spin-off economic development throughout the City. Developer shall use its good faith efforts to encourage participation by local businesses and residents in the construction and operations Phases 1 and 2 of the Project.

10. Hire Local – Permanent Jobs:

To the extent permitted by law and without establishing preferences for Virginia residents over non-Virginia residents, Developer shall make commercially reasonable efforts to hire City residents for both full-time and part-time positions, provided that such residents meet all of the knowledge, skills and eligibility requirements for any such

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available position; submit to the City for its comment a workforce development plan; partner with City agencies and local community colleges and universities on workforce development programs and career opportunities; and conduct information sessions and job fairs in each of the City Council Districts.

11. Hire Local - Construction:

To the extent permitted by law and without establishing preferences for Virginia residents over non-Virginia residents, Developer shall make commercially reasonable efforts to cause its contractor and the contractor's subcontractors to solicit City residents for employment in connection with the construction of the Project.

12. MBE Participation (Construction):

In consultation with the City Manager's Office, Developer will make a good faith effort to identify Emerging Small Businesses and Emerging Business Enterprises that perform commercially useful functions towards the construction of Phases 1 and 2 of the Project as part of a comprehensive plan to encourage MBE (including Emerging Small Businesses and Emerging Business Enterprises) participation through the procurement of goods and services required for construction.

13. MBE Participation (Goods & Services During Operation):

In consultation with the City Manager's Office, Developer will make a good faith effort to identify Emerging Small Businesses and Emerging Business Enterprises that perform commercially useful functions towards the operation of Phases 1 and 2 of the Project as part of a comprehensive plan to encourage MBE/ESB participation through the procurement of goods and services required for the operations post the issuance of the certificate of occupancy for Phases 1 and 2, subject to customary exclusions to be set forth in the MBE plan.

14. Player Rewards Program:

The Player Rewards program at Phases 1 and 2 of the Project shall allow customers to redeem points for food, beverage, merchandise, and admission to participating businesses and organizations in the City, subject to customary discount and set-up fees.

15. Public Safety:

Subject to the City's continuous use of such space, Developer shall lease a minimum of 600 square feet of space in Phase 2 along an exterior wall with a separate exterior entrance and bathroom to the City for \$1 annually for use as a police substation; subject to the Act and any limitations imposed by the Lottery, Developer shall provide video and investigative support similar to Developer's affiliates'

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practices in other jurisdictions; when additional law enforcement or security is required, Developer will use reasonable efforts to use off-duty Police Department personnel in accordance with the Police Department's standard agreements; the Project shall have location identifiers on external doors, light poles, surface lots and/or structured parking, and other appropriate locations on the Property. Developer will develop a public safety protocol with the City Police Department to support active police investigations.

16. Public & Private Infrastructure:

Developer is solely responsible for all costs to design and construct on-site public and private infrastructure required specifically for Phases 1 and 2 of the Project.

Developer shall be solely responsible for all costs to design, and construct required off-site infrastructure (utility improvements, traffic calming, streetscape, landscape, signage, lighting, etc.) in the public right of way for adjacent streets, as applicable, and resulting directly from Phases 1 and 2 of the Project as opposed to regionally planned improvements to benefit the overall area.

17. Sustainable Development:

Developer agrees to use good faith efforts to incorporate into the design and construction of Phases 1 and 2 of the Project commercially reasonable sustainable construction materials and systems.

18. Initial Payments to City:

Pending final review

The City shall allocate five percent (5%) of each annual payment of the Initial Payment to a fund supporting priority City initiatives, community programs and non-profit organizations providing services for the elderly, childcare, affordable housing and parks and recreation facilities, support for education, healthcare, housing and workforce development for disadvantaged populations, and such other critical areas selected by the City Council. Awards from the

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fund shall be made by the City Council with the advice of an Advisory Board (“Board”) comprised of 5 members, including the then serving Mayor of the City or his designee, a representative of Developer and 3 community/business representatives chosen at large by the Council in accordance with §15.2-1411 of the Code of Virginia. The community members selected at large shall each serve terms of two years. Developer may, at its sole discretion, annually contribute matching funds which shall be outside of and in addition to the annual payments of the Initial Payment described in this Agreement.

19. Assignment:

Pending final review

Miscellaneous Terms:

20. Confidentiality The Parties agree and acknowledge that this Agreement may be signed by the Manager on behalf of the City only after a public vote by Council in an open meeting. Accordingly, this Agreement shall be construed as a public record.
21. Construction This Agreement has been negotiated by the Parties hereto and shall not be deemed to have been negotiated and prepared by any Party solely, but by each of them.
22. Parties’ Costs Except as stated in this Agreement, each Party will be solely responsible for and will bear its costs and expenses incurred at any time in connection with pursuing or consummating the transactions described herein.
23. Governing Law This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without regard to its conflict of law principles.
24. Dispute Resolution Good faith mediation shall be a condition precedent to initiating any arbitration by any Party against another Party relating to this

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Agreement. Before the remedies provided for in this Agreement may be exercised by any Party, such Party shall give written notice to the other Party that such initiating Party believes that a breach or impasse under this Agreement may have occurred, specifying the circumstances constituting the same in sufficient detail that the other Party will be fully advised of the nature of the dispute. The responding Party shall prepare and serve a written response thereto within ten (10) business days of receipt of such notice. A meeting shall be held within ten (10) business days after the response between the Parties to attempt in good faith to negotiate a resolution of the dispute.

If the Parties are unable to resolve the dispute through the above process, the Parties shall attempt to resolve the controversy by engaging a single mediator, experienced in the subject matter, to mediate the dispute. The mediator shall be mutually selected by the Parties and conduct mediation at a location to be agreed upon by the Parties or, absent agreement, selected by the mediator. Within five (5) Business Days of selection, the mediator shall be furnished copies of the notice, this Agreement, response and any other documents exchanged by the Parties. Should the Parties be unable to agree upon a single mediator within five (5) Business Days of the written response of the responding Party the Parties jointly shall agree upon the selection of a neutral third party to appoint a mediator, experienced and knowledgeable in the matters which are the subject of the dispute. The costs of the mediator and the mediation shall be shared equally by the Parties to the dispute.

If the Parties and the mediator are unable to settle the same within thirty (30) calendar days from selection, or such other time as the Parties agree, either Party, in its sole discretion, may pursue arbitration in accordance with this Agreement in order to resolve the dispute. Each Party agrees to be responsible for its own attorney's fees in the mediation.

25. Arbitration

In the event that any dispute, claim or controversy of whatever nature arises between the Parties, with respect to or arising out of or relating to the construction, interpretation, performance, breach, termination, enforceability, application or validity of any of the provisions of this Agreement, and such Dispute is not resolved to the satisfaction of the Parties after mediation as required herein, then, to the extent permissible under Virginia law, the parties agree to resolve the matter through binding arbitration as described herein. In which case, either party shall notify the other in writing of its desire to arbitrate the dispute. The dispute shall be resolved in

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accordance with the Commercial Arbitration Rules of JAMS then pertaining. The decision of the arbitrator shall be binding, final, non-appealable and conclusive on the Parties. Unless the Parties otherwise agree, such arbitration proceedings shall be conducted in Richmond, Virginia, before a single arbitrator. The arbitrator shall be selected by the JAMS Commercial Arbitration Rules. The fees of the arbitrator and the expenses incident to the proceedings shall be borne by the losing party, as determined by the arbitrator. The reasonable fees of respective counsel engaged by the parties, and the fees of expert witnesses and other witnesses called for the parties, shall also be paid by the losing party, as determined by the arbitrator. Notwithstanding the foregoing, if the arbitrator determines a party lost on some but not all of the claims and counterclaims, the arbitrator may allocate an appropriate percentage of such fees and costs between the parties. The arbitrator shall serve as a neutral, independent and impartial arbitrator. The parties shall maintain the confidential nature of the arbitration proceeding and the "award" (as such term is used in the Rules and whether interim, partial or final), including the evidentiary hearing on the merits, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for enforcement of an award, a judicial challenge to an award or its enforcement, or unless otherwise required by law or judicial decision. The decision and award of the arbitrator shall be rendered in a writing within thirty (30) days after the conclusion of the arbitration. A judgment of a court of competent jurisdiction may be entered upon the award of the arbitrator in accordance with the rules and statutes applicable thereto then obtaining. At the request of any Party, the arbitrator may order and compel specific performance (or interim or final injunctive relief). In the event that a court determines that binding arbitration is not legally permissible, the Parties agree to jurisdiction of any circuit court in the Commonwealth of Virginia and consent to venue in the City of Richmond, Virginia.

26. Effectiveness

Subject to the provisions of this section, Developer's obligations under this Agreement, including the obligation to make the Initial Payment to the City, are conditioned upon a majority of those voting

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in the Referendum voting in the affirmative and shall not be effective until the occurrence of the same. In addition to the preceding limitation, Developer's performance under this Agreement shall be excused to the extent it is subject to, or delayed by, a Force Majeure Event, which shall include any event beyond the reasonable control of Developer, including, but not be limited to, any event due to (a) an act of God, (b) governmental action, orders or regulations or embargoes, (c) viral outbreak, epidemic, pandemic, disease, public health emergencies, governmental responses to these emergencies and civil disturbances related to these conditions, voluntary or mandatory compliance with any direction, request, or order of any person having or reasonably appearing to have authority in that regard whether for defense or other health and safety, statutory, governmental, or national purpose, (d) extraordinary weather conditions, flood, or earthquake, I war or other hostilities, terrorism, or civil commotion, or (f) strike or lockout, or (g) inability or difficulty in obtaining permits or approvals from governmental authorities, supplies or personnel, equipment, fuel, power or components, or interruption of electricity, communication or transportation, in each case, to the extent that (i) such event was not within the reasonable control of Developer and (ii) such event materially impairs the ability of Developer to perform its required obligations under this Agreement in a reasonably timely manner. Notwithstanding the foregoing, Developer's obligation to make the payments identified in the Cooperation; Referendum section of this Agreement (collectively the "**Surviving Obligations**") are not extinguished and shall survive cancellation of this Agreement and continue in effect notwithstanding the outcome of the Referendum. With the exception of the Surviving Obligations, this Agreement shall be void and of no force and effect if a majority of those voting do not approve the Referendum.

27. Term

Pending final review

28. Entire Agreement

This Agreement constitutes the full and complete agreement between the Parties with respect to the subject matter hereof, and supersedes and controls in its entirety any and all prior agreements, understandings, representations and statements whether written or oral by any of the Parties.

29. No Joint Venture

The Parties hereto agree that nothing contained in this Agreement or any other documents executed in connection herewith is intended or shall be construed to establish Developer and the City as joint venturers or partners.

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30. Severability The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.
31. Headings The headings of this Agreement are for convenience of reference only and in no way define, limit, or describe the scope or intent of this Agreement or in any way affect this Agreement.
32. Amendment This Agreement may not be modified or amended except by a written instrument signed by all the Parties. The Parties acknowledge that the Lottery may, subsequent to the date of this Agreement, promulgate regulations under or issue interpretations of or policies concerning the Act, which regulations, interpretations, policies may conflict with, or may not have been contemplated by, the express terms of this Agreement. In such event, the Parties agree to negotiate in good faith any amendment to this Agreement necessary to comply with the foregoing.
33. Lender Assignment;
Estoppels Notwithstanding any other provision of this Agreement, Developer and/or Investors shall have the right to collaterally assign or pledge all of its rights and interest in and to this Agreement to one or more commercial banks or institutional investors that are lenders to a Phase or any portion of the Project (hereinafter referred to as a “**Lender**”) at any time and from time to time without City’s consent; provided, however, that Developer and/or Investor shall (a) notify City in writing of such collateral assignment or pledge and (b) disclose to City the name and address of such lender(s).
- The City upon providing Developer and/or Investor any notice of: (i) any (i) default under this Agreement or (ii) any termination of this Agreement, shall at the same time provide a copy of such notice to any Lender and after City’s delivery of any such notice to a Lender, such Lender shall have the same period (if any), with respect to its remedying of such default or other applicable occurrence that is the subject matter of such notice, to which Developer and/or Investor is entitled after its receipt of notice thereof, plus, in each instance, a period of (A) sixty (60) days in the case of any such default or other occurrence that may be remedied merely by the payment of money and (B) one hundred eighty (180) days in the case of any other default or other occurrence (a “Non-Monetary Default”); provided, however, that so long as such Lender commences curing any Non-Monetary Default within such one hundred eighty (180) day period and thereafter diligently pursues such cure in good faith, then such one hundred eighty (180) day period shall be extended for such

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additional period of time as such Lender requires to effect such cure.

City shall give prompt written notice to each Lender of any arbitration, mediation or legal proceedings between City and Developer and/or Investor involving this Agreement or any obligations hereunder. Further, in the event of any termination of this Agreement for any reason, the City shall provide each Lender with written notice that the Agreement has been terminated.

Upon the request of Developer and/or Investor or any Lender (prospective or current), the City shall promptly, under documentation reasonably satisfactory to the requesting party, (i) agree directly with any Lender that it may exercise against the City all such Lender's rights under this Agreement; (ii) certify (subject to any then applicable exception reasonably specified) that this Agreement is in full force and effect and has not been terminated or canceled, that to the City's knowledge no default hereunder exists, and other similar matters as reasonably requested by the requesting party.

34. Notices

Any notice, demand or other communication which any Party may desire or may be required to give to any other Party shall be in writing delivered by (i) hand delivery or (ii) a nationally recognized overnight courier addressed to a Party at its address set forth below, or to such other address as the Party to receive such notice may have designated to all other Parties by notice in accordance herewith:

If to the City:

City of Petersburg
Attn: City Manager
135 N. Union Street
Petersburg, Virginia 23803

With a copy to:

City of Petersburg
Attn: City Attorney
135 N. Union Street
Petersburg, Virginia 23803

If to Developer and/or Investors:

The Cordish Companies
Attn: Chief Legal Officer
601 East Pratt Street
6th Floor
Baltimore, MD 21202

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With a copy to:

CG Shared Services
Attn: President
7002 Arundel Mills Circle, Suite 7777
Hanover, MD 21076

35. Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed to be an original document and together shall constitute one instrument.

36. No Cross Default

No breach of this Agreement with respect to any particular Phase of the Project will constitute or result in a breach as to any other Phase.

[Signature Page to Follow]

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AGREED AND ACCEPTED THIS ____ DAY OF May, 2024

CITY OF PETERSBURG, VIRGINIA

PPE CASINO RESORTS PETERSBURG,
LLC

BY:
ITS:

BY: PPE Live Holdings, LLC, a Delaware
limited liability company, its sole
member

BY: Petersburg Community Development
Investors, LLC, a Delaware limited
liability company, its sole member

BY: Petersburg Community Development
Holdings I, LLC, a Delaware limited
liability company, its managing
member

Joseph Weinberg
Authorized Person

Pending final review

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JOINDER OF PETERSBURG COMMUNITY DEVELOPMENT INVESTORS, LLC

Petersburg Community Development Investors, LLC, hereby joins in this Agreement for purposes of being bound by the provisions of Section 3 (The Project), Section 6 (Zoning & Permitting), Section 8 (Project Phasing), Section 19 (Assignment), and the Miscellaneous Terms (Sections 20-36).

PETERSBURG COMMUNITY DEVELOPMENT
INVESTORS, INC.

BY: Petersburg Community Development
Holdings I, LLC, a Delaware limited
liability company, its managing
member

Joseph Weinberg
Authorized Person

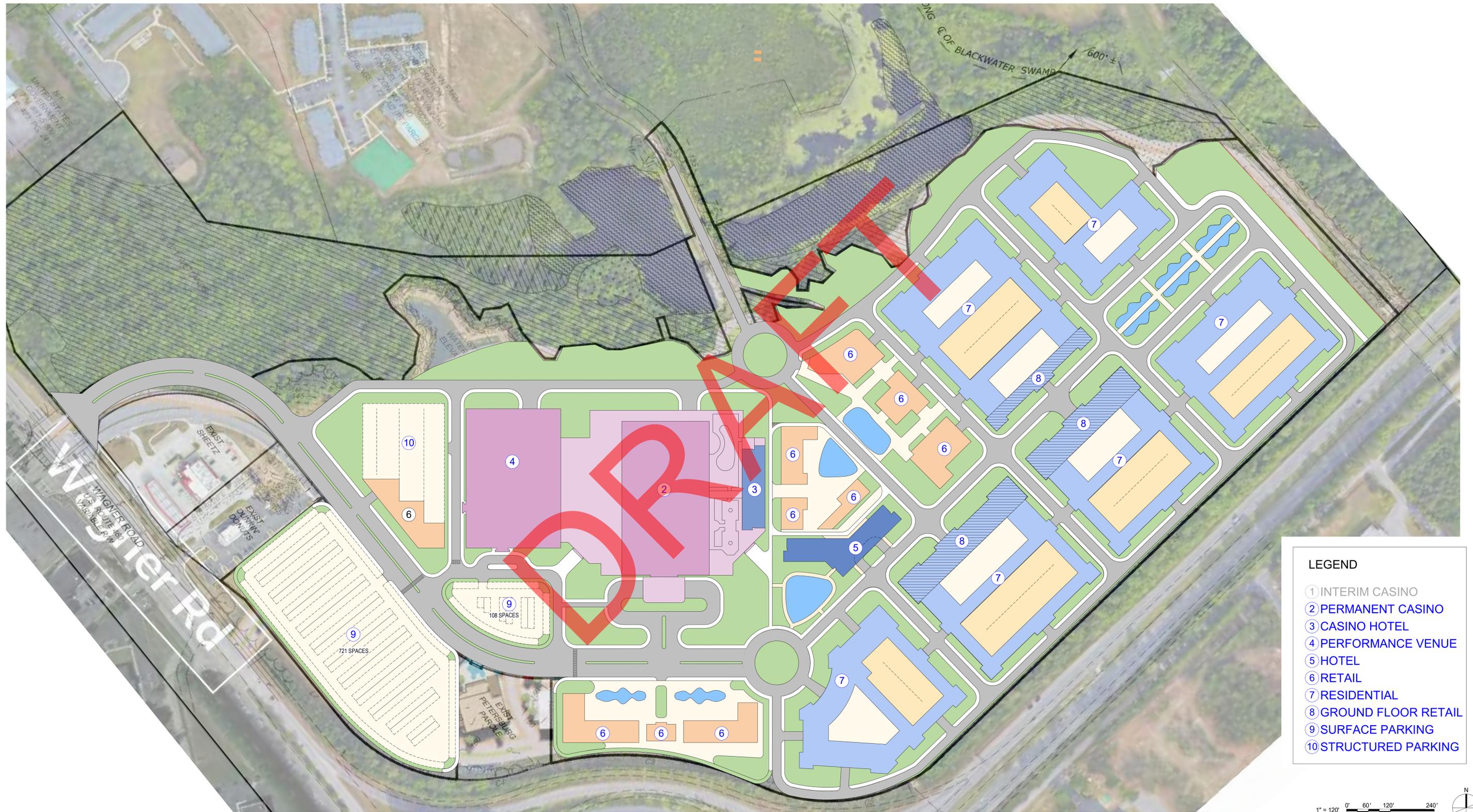


Indicative of Developer intent. Developer reserves the right to modify the Project site plan, plans, designs, features, and characteristics.

EXHIBIT 3.A

FULL PROJECT PLAN

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Indicative of Developer intent. Developer reserves the right to modify the Project site plan, plans, designs, features, and characteristics.

OVERALL SITE - FUTURE DEVELOPMENT

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VIRGINIA



THIS RESPONSE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE UNDER Va. Code Section 2.2-2710.02(3), 1111, 1172, 1221 and 1291.

CONFIDENTIAL

PERKINS EASTMAN
MARCH 2024

EXHIBIT 3.B

CASINO PLANS

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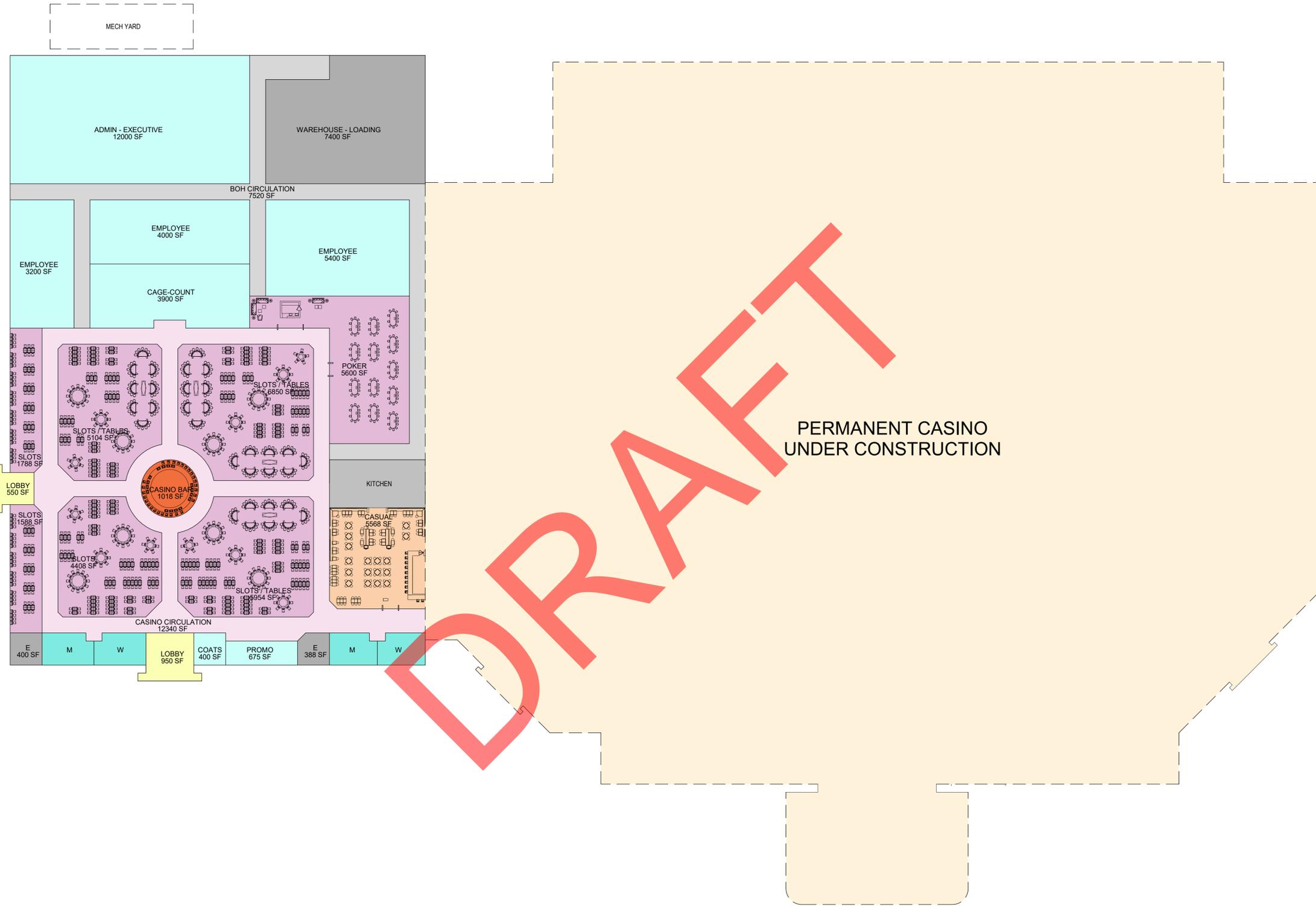
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OVERALL SITE - INTERIM CASINO

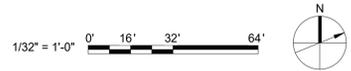
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MARCH 2024



PERMANENT CASINO
UNDER CONSTRUCTION



Indicative of Developer intent. Developer reserves the right to modify the Project site plan, plans, designs, features, and characteristics.

LEVEL 01 PLAN - INTERIM CASINO

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MARCH 2024



LEGEND

- ① INTERIM CASINO
- ② PERMANENT CASINO
- ③ CASINO HOTEL
- ④ PERFORMANCE VENUE
- ⑤ HOTEL
- ⑥ RETAIL
- ⑦ RESIDENTIAL
- ⑧ GROUND FLOOR RETAIL
- ⑨ SURFACE PARKING
- ⑩ STRUCTURED PARKING



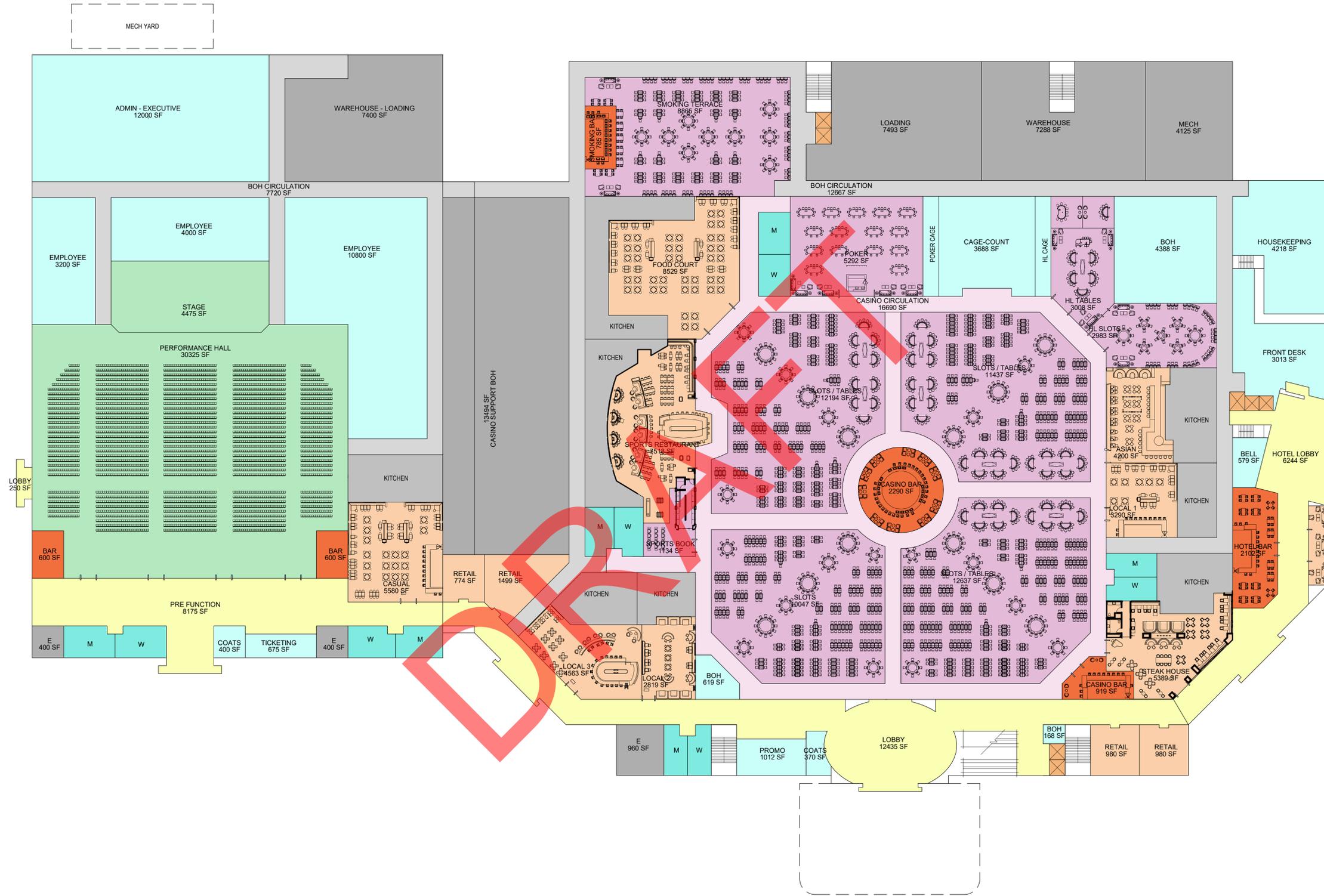
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OVERALL SITE - PHASE 2 PERMANENT CASINO

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MARCH 2024



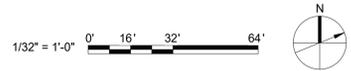
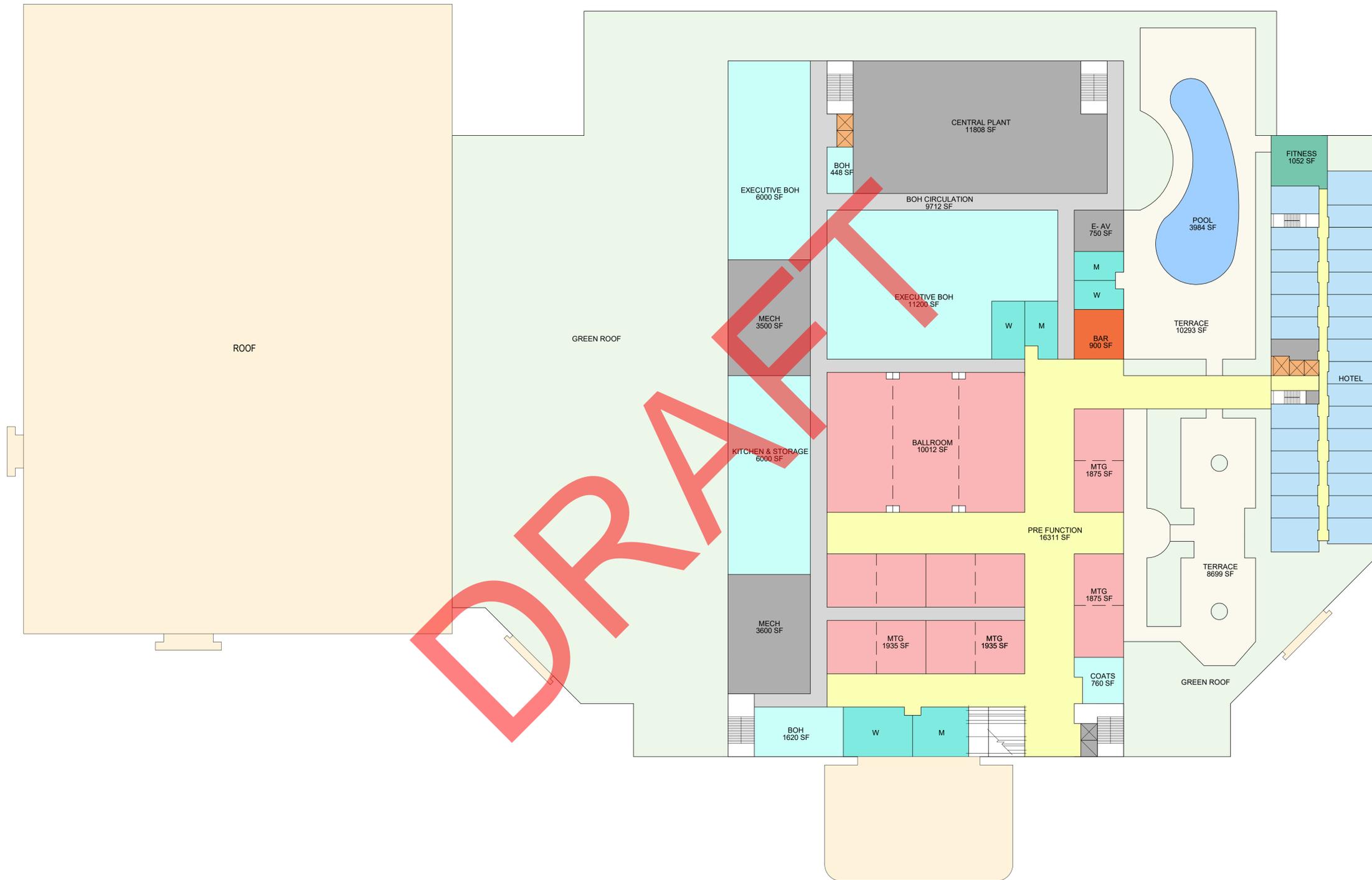
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LEVEL 01 PLAN - PHASE 2 PERMANENT CASINO

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Indicative of Developer intent. Developer reserves the right to modify the Project site plan, plans, designs, features, and characteristics.

LEVEL 02 PLAN - PHASE 2 PERMANENT CASINO

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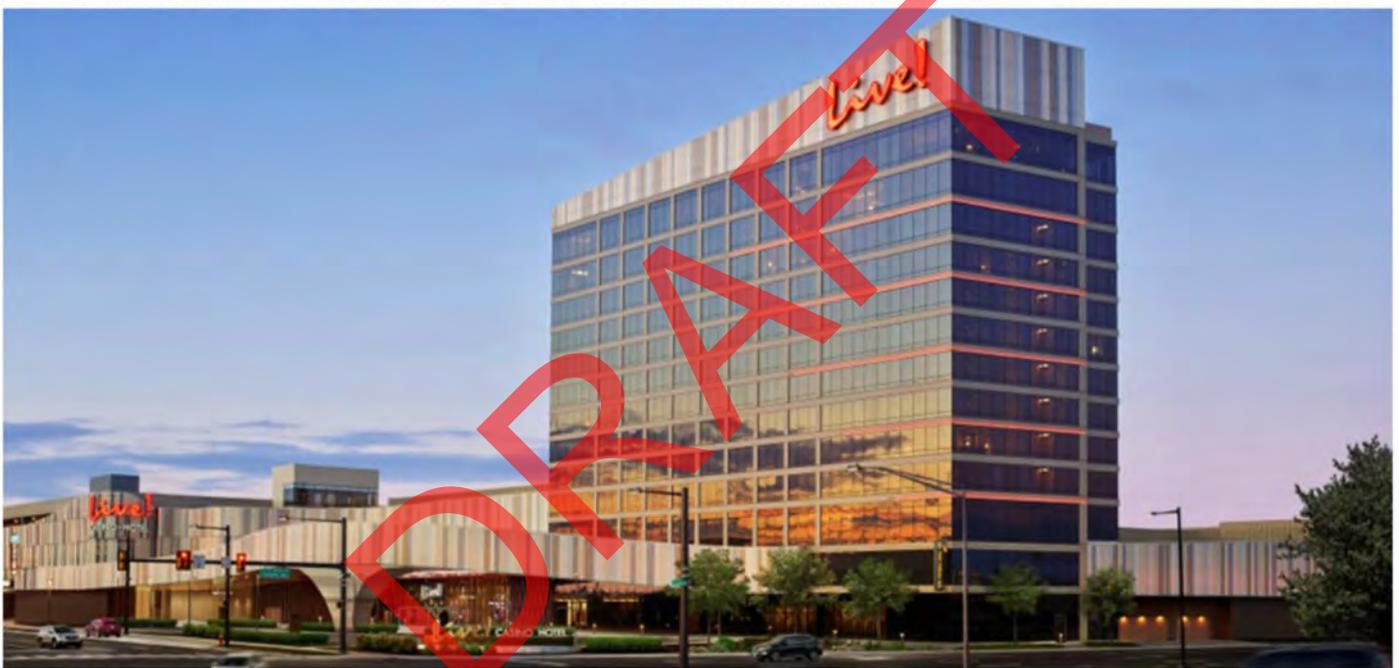


PERKINS — EASTMAN
MARCH 2024

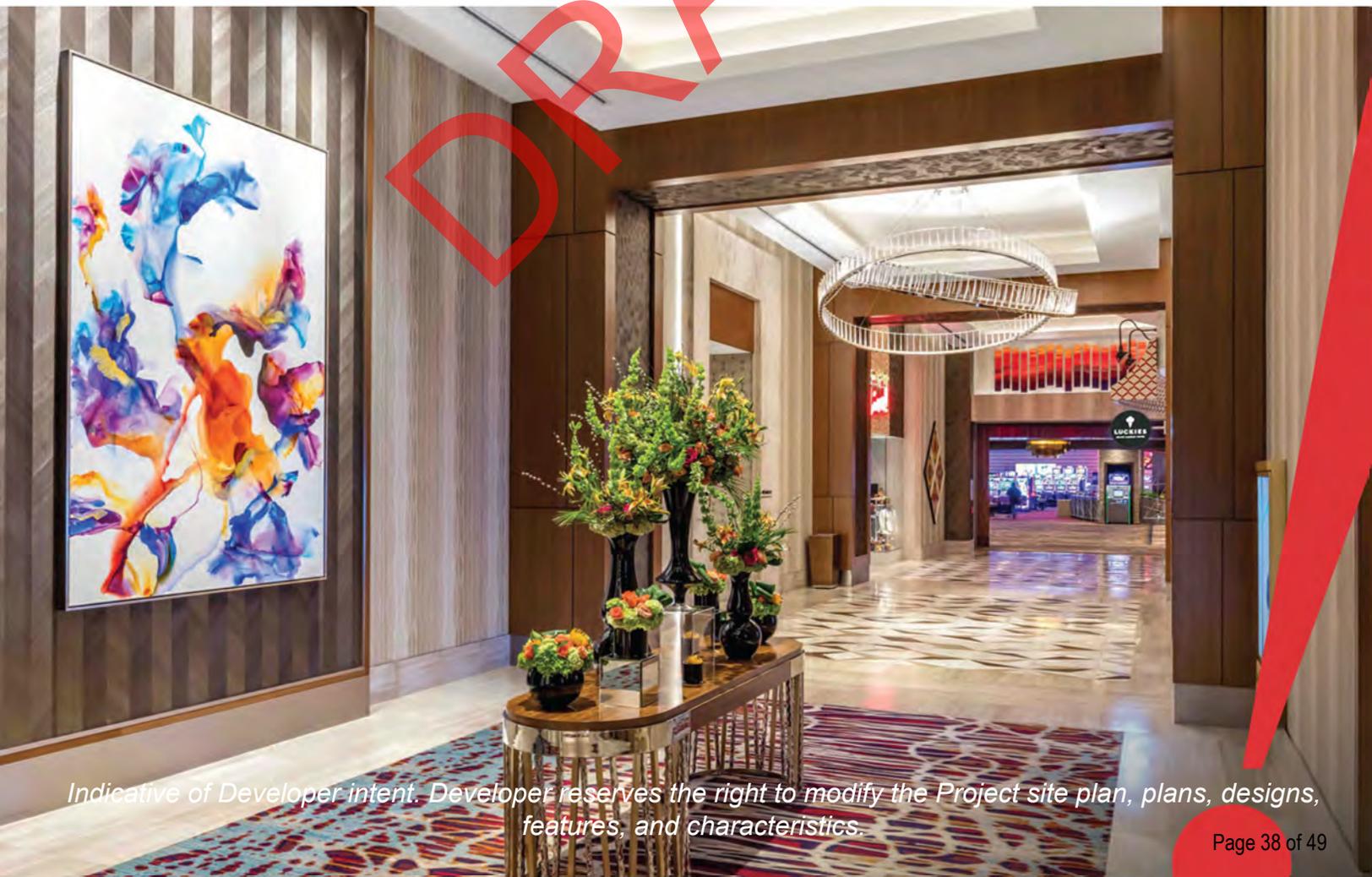
EXHIBIT 3.C

PHOTOS

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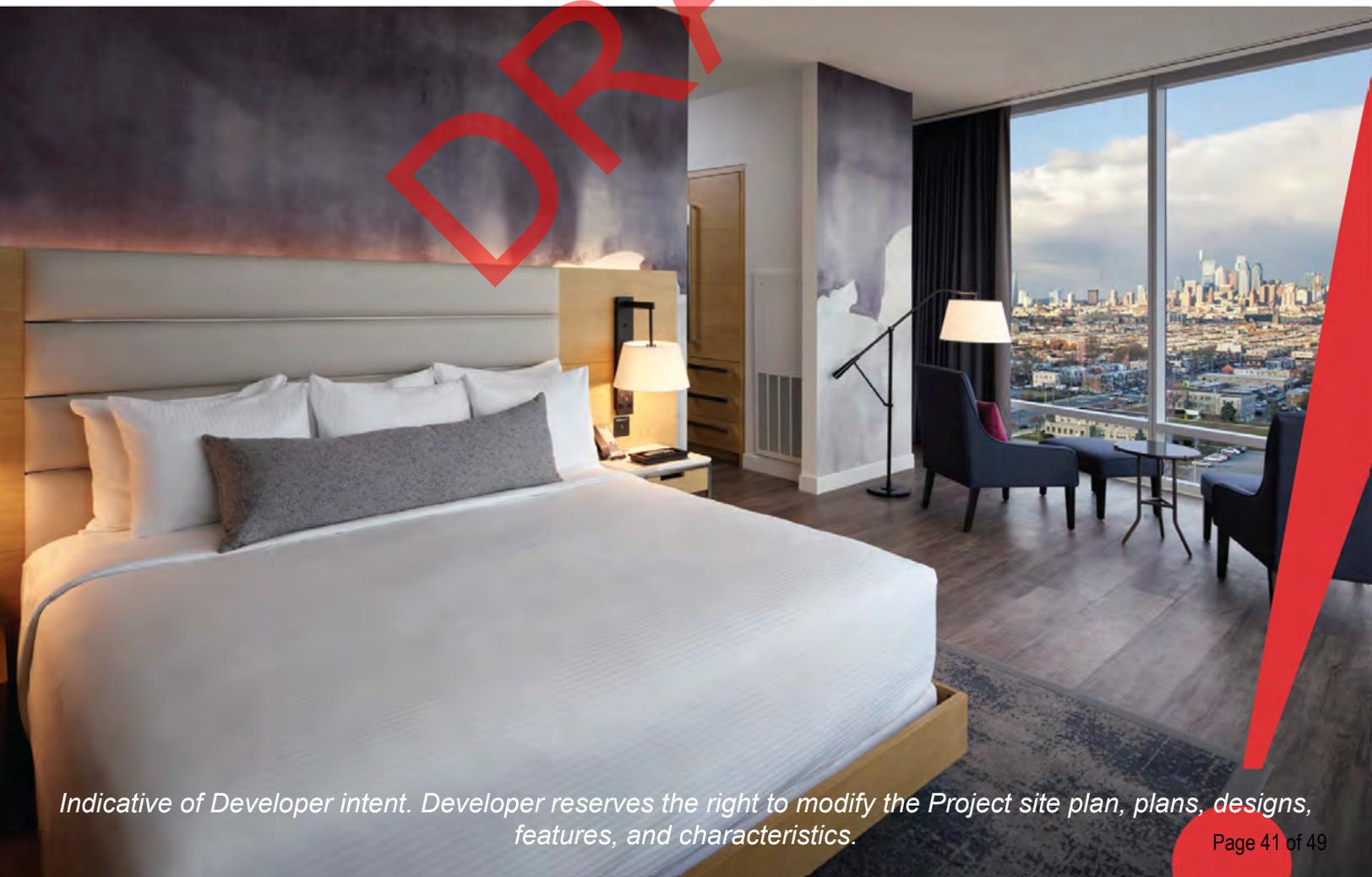
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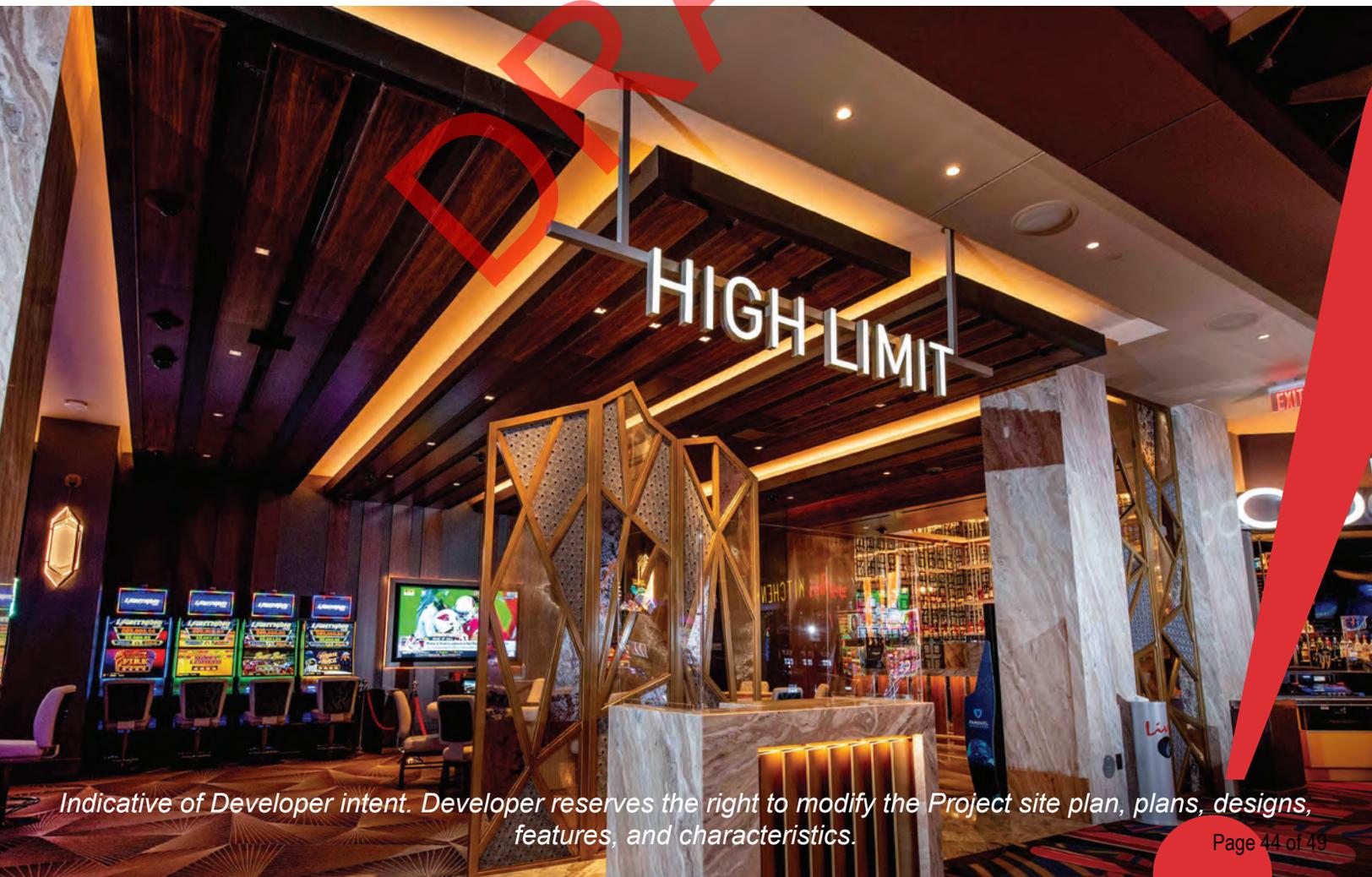
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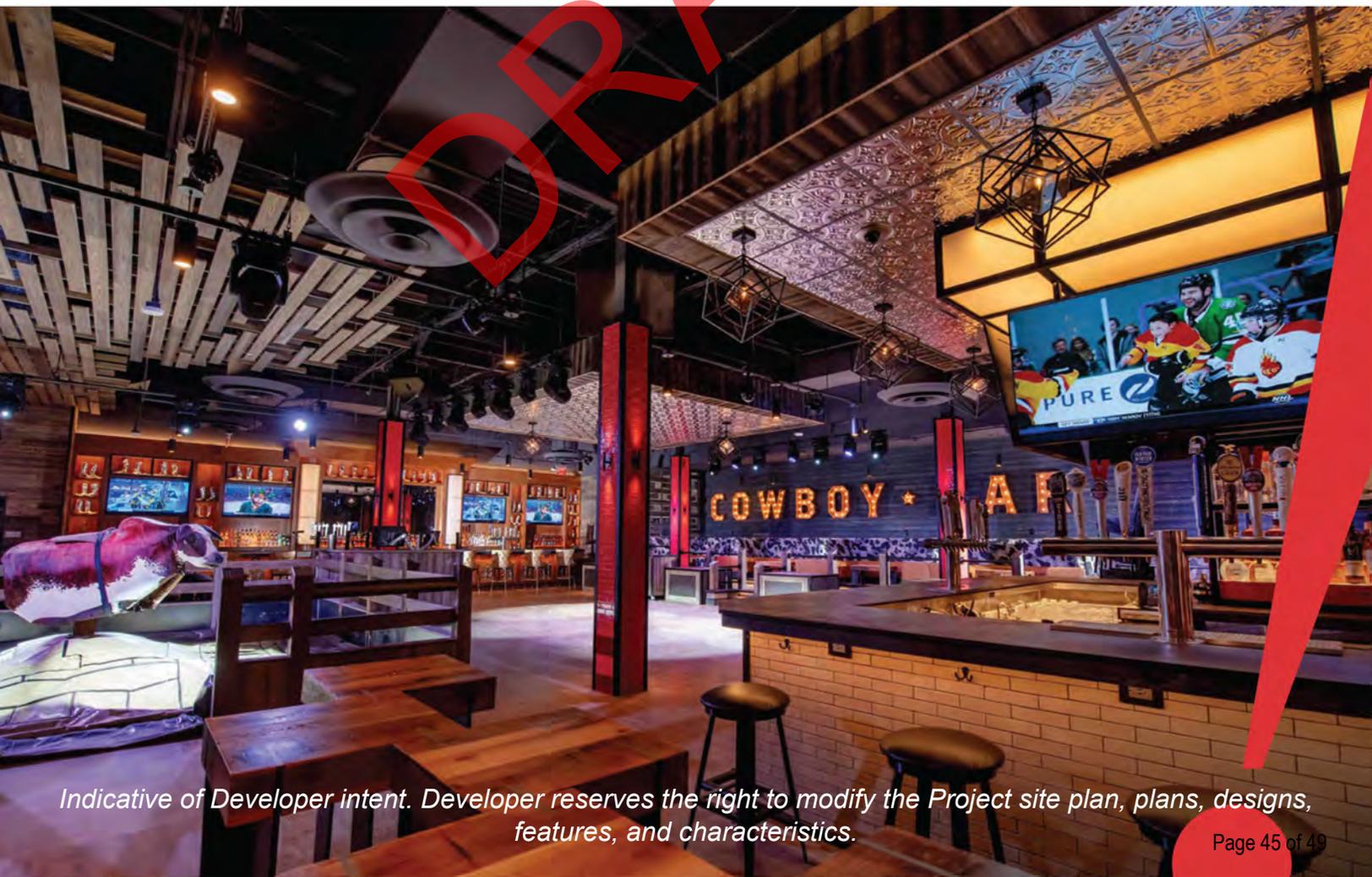
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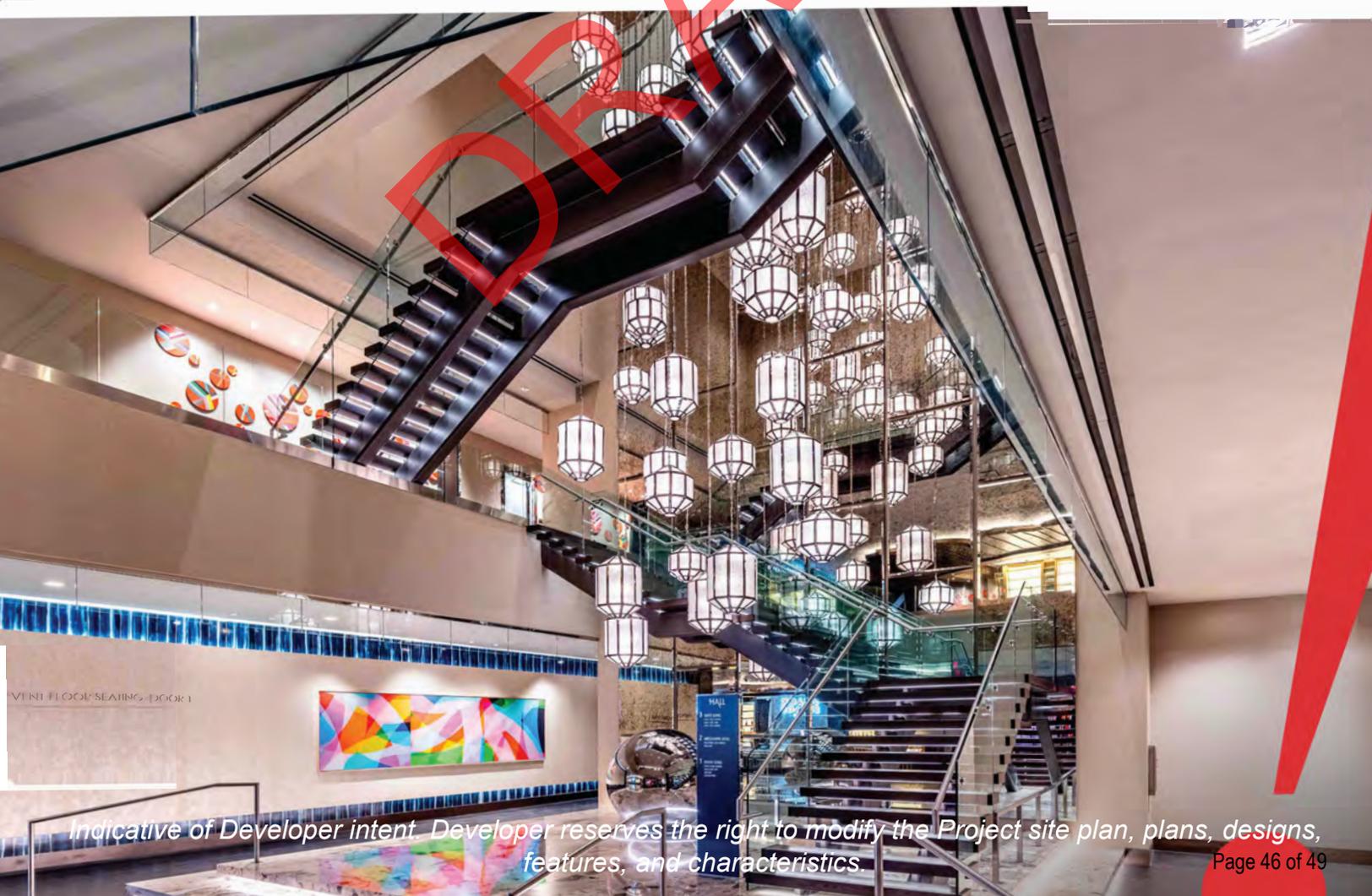
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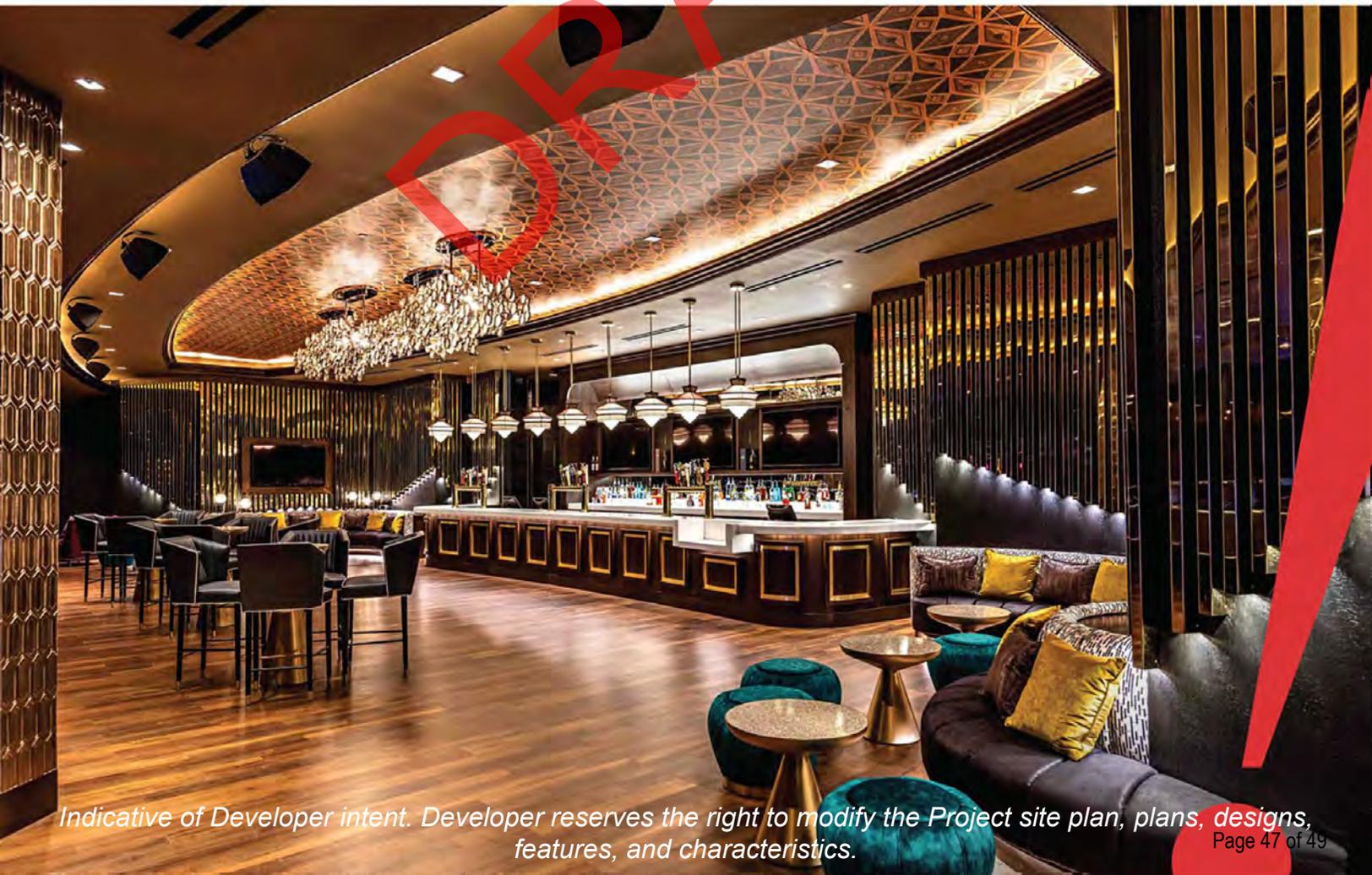
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Indicative of Developer intent. Developer reserves the right to modify the Project site plan, plans, designs, features, and characteristics.

EXHIBIT 8.a
PROJECT PHASING SCHEDULE

Developer and Investor, as applicable, will prosecute Phases 1, 2 and 3, as applicable, in reasonable conformance with the following Project Phase schedules. As used in this Exhibit 8.a and the Agreement, the term “substantial completion” in relation to Phase 1 and 2 shall mean the initial opening of the facility to the public with the number of gaming positions and hotel rooms, if applicable, stated in Section 8 (Project Phasing) of the Agreement. All Project Phase schedules are contingent upon and subject to the successful passage of the Referendum and Developer’s final and non-appealable licensure by, and receipt of any other required approvals of, the Lottery.

Phase 1

- Developer will diligently pursue the design of and planning for the Phase, coordinate with City and State officials and pursue all required City and State approvals;
- Within 90 days of receipt of all final and non-appealable City and State approvals, including, but not limited to, any gaming approvals, zoning, subdivision and land development, environmental, and building permits, Developer will commence construction;
- Developer will diligently prosecute the construction of the Phase through substantial completion, subject to any force majeure, with a goal of achieving substantial completion within 12 months of commencement of construction;
- So long as Developer is under construction on the Phase and making reasonable efforts to achieve substantial completion, the Parties will update and extend this schedule.

Phase 2

- During the construction of Phase 1, Developer will diligently pursue the design of and planning for the Phase and coordinate with City and State officials. No later than substantial completion of Phase 1, Developer will pursue all required City and State approvals;
- Within 90 days of receipt of all final and non-appealable City and State approvals, including, but not limited to, any gaming approvals, zoning, subdivision and land development, environmental, and building permits, Developer will commence construction;

- Developer will diligently prosecute the construction of the Phase through substantial completion, subject to any force majeure, with a goal of achieving substantial completion within 30 months of commencement of construction;
- So long as Developer is under construction on the Phase and making reasonable efforts to achieve substantial completion, the Parties will update and extend this schedule.

Phase 3+

Phase 3+ will be developed in separate phases by Investors, or its affiliates or assigns, through separate legal entities. The phases comprising Phase 3+ will be contingent upon market conditions, as determined by Investors in its sole discretion. Any further Project Phase schedule for Phase 3+ will be agreed upon by the City and Investors or its applicable affiliates or assigns prior to commencement of the Phase.

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