

**BROAD STREET
Community Development Authority
REVENUE BONDS SERIES 2003**

**ANNUAL CONTINUING DISCLOSURE REPORT
FOR FISCAL YEAR
ENDING JUNE, 30 2005**

Prepared By:

MUNICAP, INC.

February 9, 2006

\$66,740,000
BROAD STREET
COMMUNITY DEVELOPMENT AUTHORITY
(RICHMOND, VIRGINIA) REVENUE BONDS
SERIES 2003

ANNUAL CONTINUING DISCLOSURE REPORT

BROAD STREET
COMMUNITY DEVELOPMENT AUTHORITY

Introduction

The Broad Street Community Development Authority (the Authority) was created pursuant to Ordinance No. 2002-165-199 adopted by the City Council of Richmond on July 8, 2002. Pursuant to the provisions of Article 6 of Chapter 51 of Title 15.2 of the Code of Virginia of 1950 (the Act), as amended, the Authority issued \$66,740,000 of revenue bonds in May 2003 to finance certain improvements in connection with proposed development and redevelopment of the Broad Street Community Development Authority District. These bonds are to be repaid from pledged revenues that are comprised of special assessment revenues, parking revenues and payments in lieu of assessments. Special assessments are to be levied and collected on all real property within the District pursuant to Ordinance No. 2002-253-250, which was adopted by the City Council on September 23, 2002 and pursuant to the Memorandum of Understanding dated May 15, 2003 between the City of Richmond, the Developer and the CDA.

Continuing disclosure pursuant to Rule 15c2-12 of the Securities and Exchange Commission is not required for the Series 2003 bonds. However, pursuant to the terms of continuing disclosure agreement, the Authority, ECI Investment Advisors Inc (the Developer), and MuniCap (the Administrator) have agreed to provide certain information to the benefit of 2003 Bondholders. This report is provided pursuant to this agreement. This report is not provided pursuant to Rule 15c2-12

- 1) The Annual Financial Statements: The final audited statements will be forwarded under separate cover once they are available.
- 2) Parking Facilities rates, fees, charges and changes: There have been no changes to the list of the Parking Facilities. Tables 1A & 1B below shows the monthly rates, number of parkers, rate and the transient fees charged by each of the five Authority's parking facilities during the fiscal year 2005.

**Table IA
Monthly Rates**

7th Marshall		5th & Marshall		6th & Franklin		5th & Broad		7th & Grace	
Parkers	Rate	Parkers	Rate	Parkers	Rate	Parkers	Rate	Parkers	Rate
69	\$60	74	\$65	65	\$100	42	\$75	111	\$95
89	\$65	8	\$70	2	\$75	7	\$105	15	\$125
278	\$68	486	\$75	4	\$125	Average	\$79	Average	\$99
27	\$70	14	\$0	Average \$101					
167	\$75	Average \$72							
31	\$90								
7	\$0								
Average \$69									

**Table IB
Transient Rates**

Duration (Hours)	5th & Marshall	7th & Marshall	5th & Broad	7th & Grace
0 - 1	\$3.00	\$2.00	\$3.00	\$4.00
1 - 2	\$6.00	\$4.00	\$6.00	\$8.00
2 - 3	\$9.00	\$6.00	\$9.00	\$12.00
3 - 24 (Daily Max)	\$12.00	* \$8.00	\$12.00	\$15.00
4 - 24	n/a	\$10.00		
Early Bird	\$7.00	\$7.00		
Special Event	\$5.00	\$6.00		
Night/Weekend	\$7.50	\$5.00		
Hospitality	\$5.00			
Marriott Cash	\$5.00			

*Duration for this rate is 3-4 hours with daily maximum at 4-24 hours.

- 3) Parking Operations Financial Information: Parking revenue payments from the parking fees proceeds from the CDA operated facilities and operating expenses paid by the trustee for fiscal year 2005 are shown in the table below. The operating expenses paid by the trustee include the payments to parking operator, parking consultant fees, facility assurance and legal fees. Also included are the net parking revenues.

Parking Revenue Payments	\$2,684,697
Operating Expenses	\$1,210,891
Net Parking Revenues	\$1,473,806

- 4) Authority Administrative Expenses: The CDA total administrative expenses for the fiscal year 2005 were \$126,025. These payments include payment for services rendered by the trustee, CDA counsel, administrator, auditor, D&O annual insurance and miscellaneous expenses related to hosting of monthly CDA meetings.

5) Changes to the identity of the Administrator, Developer or Consultant: There have been no changes to the names of the Administrator, Developer or Consultant.

6) Special Assessments and Assessed Valuation:

a) Special Assessments

Method of Levying the Annual Installment

The Annual Installment imposed on each taxable parcel will vary depending on either the number of rooms rented per night with respect to hotel property or the square footage of a property with respect to other commercial property. The Annual Installment to be collected in fiscal year 2005 and each subsequent year until the Series 2003 Bonds are redeemed is equal to the following amounts:

- (i.) For hotel property, the Annual Installment shall be equal to \$2.50 multiplied by the number of rented rooms per night with a minimum of \$256,778 for the Marriott hotel and \$124,173 for the Miller and Rhoads property. The Annual Installment is due from the Miller and Rhoads property only if its ownership has been transferred from the RRHA to the Developer or any other taxable entity, which has not yet occurred.
- (ii.) For other commercial property, the Annual Installments shall be equal to \$0.35 per square foot for space on the first level and \$0.29 per square foot for space on the second level and higher. Levels below the first (street) level will not be subject to Annual Installments.

Taxable Property

Table II below includes a list of the parcels of taxable property in the CDA. The classification of each parcel is shown. For commercial property, the square footage of the first level and for the levels above the first level as well the Annual Installment per square foot along with total Annual Installment for each parcel are shown. For hotel property, the minimum Annual Assessment is shown. This minimum Annual Installment on the Marriot hotel equates to 102,711 rented rooms during the course of the year (an average of 281 rented rooms per night, which is equal to an average occupancy rate of 72%). Should additional rooms be rented, the hotel property will owe additional Annual Installments at the rate of \$2.50 per room per night on the excess over 102,711 rooms rented during the course year.

Table II
Fiscal Year 2005 special assessments

Map Reference Number	Property	First Floor SF	Sub-Total Assessments	Upper Floor SF	Sub-Total Assessments	Annual Assessments
Commercial:						
N0000005019	626 E. Broad	8,988	\$3,146	29,660	\$8,601	\$11,747
N0000005022	600 E. Broad	26,910	\$9,419	212,994	\$61,768	\$71,187
W0000015001	501 E. Grace	9,294	\$3,253	9,158	\$2,656	\$5,909
W0000015005	509 E. Grace	7,161	\$2,506	7,161	\$2,077	\$4,583
W0000015008	521 E. Grace	10,463	\$3,662	8,796	\$2,551	\$6,213
W0000015012	525 E. Grace	9,856	\$3,450	29,568	\$8,575	\$12,024
W0000015018	117N 5th	0	\$0	0	\$0	\$0
W0000016030	551 E. Broad	0	\$0	0	\$0	\$0
N0000005001B	315 N 6th	0	\$0	0	\$0	\$0
N0000011028C	530 E. Marshall	0	\$0	0	\$0	\$0
N0000011032	550 E. Marshall	0	\$0	0	\$0	\$0
W0000016022B	600 B East Grace	0	\$0	0	\$0	\$0
W0000016001	Miller & Rhoads Building	0	\$0	0	\$0	\$0
W0000016003	Miller & Rhoads Building	2,537	\$888	7,611	\$2,207	\$0
W0000016004	Miller & Rhoads Building	3,799	\$1,330	7,598	\$2,203	\$0
W0000016005	Miller & Rhoads Building	2,096	\$734	8,384	\$2,431	\$0
W0000016006	Miller & Rhoads Building	2,700	\$945	8,100	\$2,349	\$0
W0000016007	Miller & Rhoads Building	1,600	\$560	4,800	\$1,392	\$0
W0000016008	Miller & Rhoads Building	1,360	\$476	4,080	\$1,183	\$0
W0000016013A/B	Miller & Rhoads Building	0	\$0	0	\$0	\$0
Sub-total Commercial Property						\$111,663
Hotel:						
N0000010030	Marriott Hotel					\$256,778
W0000016/001-013	Miller and Rhoads Hotel					\$0
Sub-total Hotel Property						\$256,778
Total FY05 Annual Assessments						\$368,441

- b) The Assessed Valuation for all parcels within the district as of July 1, 2005 was \$63,841,800.
- c) Special Assessments Payments and Delinquent Special Assessments: As of January 31, 2006, special assessment in the amount of \$111,662.93 due from the six commercial properties have been collected by the city and transferred to the trustee. Special assessments due from the hotel property (parcel map reference number N0000010030) in the amount of \$256,778.00 are currently outstanding. The city is currently pursuing the collection these delinquent special assessments.
- d) The Authority or the Administrator has no knowledge of any property within the district that has been subject to foreclosure proceedings or a judgment for tax sale.
- 7) Funds and Account Balances: The account balances as of July 1, 2004, deposits, interest paid, disbursements, additional proceeds, and account balances for each Authority fund as of June 30, 2005, are shown Table II below:

Table III
Funds & Account Balances

	Opening Bal. 7/1/04	Interest Paid	Additional Proceeds	Disbursements	Closing Bal. 6/30/05
Capitalized Interest	\$5,256,713.23	\$44,987.57	\$0.00	\$4,930,021.48	\$371,679.32
Utility Improvements	\$5,505,609.05	\$13.66	\$0.00	\$5,505,622.71	\$0.00
Utility Payments	\$0.00	\$15,281.37	\$5,977,491.04	\$4,619,096.10	\$1,373,676.31
Revenue Fund	\$161,395.18	\$2,232.62	\$2,576,702.39	\$2,740,330.19	\$0.00
Interest Account	\$89.46	\$1,420.13	\$5,098,696.41	\$4,971,856.26	\$128,349.74
Principal Account	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Redemption Account	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Administrative Exp.	\$4,133.86	\$68.12	\$139,864.35	\$133,758.42	\$10,307.91
Project Fund	\$10,027,110.39	\$66,367.86	\$97,519.13	\$10,190,997.38	\$0.00
Debt Service Reserve	\$6,136,875.00	\$254,680.31	\$0.00	\$254,680.31	\$6,136,875.00
Subordinate DSF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rebate Fund	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Supplemental DSRF	\$732,148.52	\$24,723.57	\$1,340,748.10	\$0.00	\$2,097,620.19
General Surplus	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Operating Reserve	\$73,514.21	\$635.05	\$84,884.77	\$89,785.24	\$69,248.79
Repair & Replacement	\$86,144.52	\$1,771.25	\$18,569.65	\$3,435.42	\$103,050.00
Operating Fund	\$164,099.50	\$1,372.53	\$1,262,970.08	\$1,388,325.69	\$40,116.42
	\$28,147,832.92	\$413,554.04	\$16,597,445.92	\$34,827,909.20	\$10,330,923.68

- 8) Total Outstanding Bonds and Subordinate Debt. The Authority does not have any subordinate debt. The total outstanding bonds are shown in the table below.

Table IV
Outstanding Series 2003 Bonds

CUSIP Number	Term	Coupon Rate	Issue Amount	Outstanding Amount
111257 AA9	June 1, 2015	7.125%	\$7,185,000	\$7,185,000
111257 AB7	June 1, 2016	7.100%	\$1,675,000	\$1,675,000
111257 AC5	June 1, 2033	7.500%	\$57,880,000	\$57,880,000
Total			\$66,740,000	\$66,740,000

- 9) Debt Service Payments: The amount of Series 2003 Bonds debt service paid in fiscal year 2005 and the amount of debt service scheduled to be paid in the fiscal year 2006 are shown in Table V below.

Table V
Debt Service Payments
FY 2005 and FY 2006

	2005	2006
Interest Payment, December 1	\$2,485,928	\$2,485,928
Principal Payment, December 1	\$0	\$0
Interest Payment, June 1	\$2,485,928	\$2,485,928
Principal Payment, June 1	\$0	\$0
Total Debt Service	\$4,971,856	\$4,971,856

- 10) Changes in the Methodology of levying Special Assessments: There have been no changes to the methodology of levying special assessment in the district.
- 11) Significant amendments to land use or legal challenges to construction of the Facilities: The Authority or the Administrator has no actual knowledge to any significant amendments to the land use entitlements or legal challenges to the construction of the Facilities.
- 12) Changes to the nature of the Facilities: There has been no change to the nature of the Facilities.
- 13) Payment in Lieu of Assessments: Payments in Lieu of Assessments (PILOA) became effective after the completion of streetscape improvement on May 29, 2005. These payments are due each quarter as per the terms of the respective agreements between the Authority, the City of Richmond and the Virginia Performing Arts Foundation (VAPAF). The PILOA from the Richmond Redevelopment and Housing Authority (RRHA) is due each month pursuant to the Coliseum Garage Charge Payments Agreement between the Authority and the RRHA. PILOA for the fiscal year 2005 had all been received by the trustee by August 11, 2005 and are shown on Table VI below.

Table VI
Payment in Lieu of Assessments
Fiscal Year 2005

	Amount Paid
City of Richmond - Coliseum payment	\$100,000
City of Richmond – Special Event	\$62,500
VAPAF	\$16,667
RRHA	\$11,916
Total PILOA for FY05	\$191,083

The total PILOA received in fiscal year 2005 comprised of two full payments of the two quarterly payments due each quarter from the city. Payments from VAPAF and RRHA were prorated for the actual number of days in the quarter and the month, respectively, as per the terms of agreements governing these payments. There are no amendments to the documents relating to the Payments in Lieu of Assessments as outlined in the PILOA agreements.

- 14) Requests for funds by the trustee to the City: There has been no draws made from the Debt Service Reserve Fund, subsequently, the trustee has not made any requests to the City to fund such draw as outlined in Memorandum of Understanding.
- 15) Amendments to the Continuing Disclosure Agreement: There are no amendments made to the Continuing Disclosure Agreement.