

ECONOMIC DEVELOPMENT AGREEMENT SUMMARY

The Economic Development Agreement sets forth the basic understanding between the City and the Developer regarding the Electric Works Project.

The City agrees to pursue the authorization of \$62 million in public funding to the Electric Works Project, subject, however, to certain procedures and conditions. In consideration of receiving substantial public funding to the Electric Works Project, the Developer agrees to develop, finance and construct the Electric Works Project as presented to the community.

First, City and Developer agree to pursue the authorizations and approvals necessary for the City to provide the public funding and the Developer agrees to provide the commitments and approvals necessary for the Developer to develop, finance and construct the Project. If either party is unable to obtain the necessary authorizations, commitments or approvals on or before August 31, 2018, then either party may terminate the Economic Development Agreement. Upon termination of the Economic Development Agreement, the parties shall have no further rights or responsibilities. If both parties are able to obtain the necessary authorizations, commitments and approvals necessary for development and construction, then the Electric Works Project will continue.

City and Developer intend that the public investment in the Project shall be made simultaneously with all other federal, state and private resources. In light of the scale of the initial public investment requested and the potential for substantial future requests for public investment in the Project and in necessary public infrastructure supporting the Project, the City has conditioned its agreement to provide the \$62 million in public investment upon the satisfaction of certain conditions. The conditions are designed to assure the City and the public that the public investment is being made in a wise manner in a project that is feasible and appropriately designed, financed and constructed.

Here is a list of the most important conditions:

1. The City must review and approve the environmental conditions found on the site.
2. The City must review and approve the remediation plan for any environmental conditions found on the site.
3. The Developer must provide evidence that the Project can be constructed at the anticipated cost.
4. The City must review and approve commitments to lease a minimum of 250,000 square feet within the Project.
5. The City must review and approve the strategic marketing analysis prepared by the Developer's consultant, RCLCO, Inc.
6. The Developer must demonstrate that the economic impact predicted for the Project will occur within a timeframe acceptable to the City.

7. The Developer must provide a strategic parking plan showing that there will be sufficient parking for the Project.
8. The Developer shall have obtained all approvals for construction.
9. The City shall have approved the final construction plans.
10. The City shall be prepared to close on the financing necessary for the public investment in the Project.
11. The City and the Developer will have executed all other necessary closing documents to consummate the financing of the project.

The City and the Developer anticipate that all federal, state and local monies, as well as all private loans and investments, shall occur simultaneously as a part of a single closing after all conditions have been satisfied.

In the event that the conditions to closing are not satisfied on or before December 31, 2018 then either the City or the Developer may terminate the Economic Development Agreement.

The City anticipates that the public funding will be disbursed to the Developer through a neighborhood development corporation to be created for this purpose. The Developer must post a \$5 million letter of credit payable to the City in the event of a default by the Developer until the Project has been completed. The Developer will be able to withdraw a development fee only when the Project has been completed and the Project has stabilized financially.