

The following is a list of the key elements of the Master Development Agreement, called the Land Disposition Agreement (LDA) for downtown. These are some of the protections for the City to ensure that it is not required to spend any money from the City's general fund on any element related to the agreement. The section of the full LDA referenced is in parenthesis.

- Redeveloper pays for City consultants (4.05(b)).
- Redeveloper pays for all private land required for Step (no eminent domain) (6.01(a)).
- Redeveloper pays for remaining private land to relocate Town Brook (no eminent domain) (4.04).
- Redeveloper designs, permits and documents the Public Improvements (4.01).
- Redeveloper pays an annual maintenance fee to be used by City to repair and to maintain entire DIF district (4.03).
- Redeveloper agrees to minimum increase in real estate taxes (4.03).
- Redeveloper pays existing real estate taxes, personal property taxes and public parking revenues during construction, regardless of actual amounts, thus relieving any pressure on the General Fund (4.03).
- **Quality of Construction of Public Improvements** - Design standards; role of City consultants in reviewing plans and specifications; commercial reasonableness of the bidding process (4.05).
- Commercial Reasonableness of the Purchase Price for the Implementing Public Improvements - Bond cap per Step; Redeveloper pays for overruns; City pays lesser of bond cap or actual costs; limitations on what costs the Redeveloper can include in the Reimbursement Budget; oversight by City consultants -bond advisors; construction consultant (4.05; 4.06).
- Additional Protections Before the City Approves Each Financial Submission - Requirements of the "Pre-requisites" (4.06).
- Additional Protections Before the City Conveys any City Parcel -Extensive pre- conditions to Closing (6.01; 6.02).
- **Construction Risk**
  - Performance bonds; evidence of guarantees provided by Redeveloper to the construction lender; Redeveloper provides proof of 20% equity; construction financing in place (6.01); penalties, termination rights, reversion of title if construction is not timely commenced, suspended or completed (14.0 and Exhibit D regarding key dates).
- **Permit Risk; Redeveloper Not Performing –**
  - Benchmark Schedule with milestone dates to be achieved between LDA execution and Closing (3.01; 3.02; Exhibit G). City termination rights if Federal and State Funding not secured by 1/1/2014 (4.04). Outside Closing Date of 11/2015 (4.04). Post-Closing -see Key Dates exhibit (Exhibit D) -target completion dates; outside completion dates regardless of force majeure. City termination rights.
- **Financial Risk (i.e., the project revenues do not support the City's bonds).**
  - 121A Payments must be flowing for six (6) months before the City is obligated to purchase (4.06). Occupancy requirements (Exhibit F). 121A Agreements are binding on third parties. Use of conservative parking revenue assumptions (4.06). For future Steps, City's advisors can take account of assumptions and actual performance of a prior Step (4.06).