

Redevelopment Agreement

between

The Downtown Investment Authority

and

Lofts at Cathedral, Ltd.

REDEVELOPMENT AGREEMENT

This **REDEVELOPMENT AGREEMENT** (this “Agreement”) is made this ___ day of February, 2023 (the “Effective Date”), between the **DOWNTOWN INVESTMENT AUTHORITY**, a community redevelopment agency on behalf of the City of Jacksonville (the “DIA”) and **LOFTS AT CATHEDRAL, LTD.**, a Florida limited partnership (the “Developer”).

Article 1. PRELIMINARY STATEMENTS

1.1 The Project.

The Developer currently owns certain real property improved with a historic structure (the “Building”) located at 325 E. Duval Street, Jacksonville, Florida 32257 (the “Project Parcel”), as more particularly described on Exhibit A attached hereto. The Developer has proposed to make certain improvements to renovate and rehabilitate the Building on the Project Parcel as further detailed on Exhibit B attached hereto (the “DPRP Improvements”), which will include a minimum of 28 units of mixed-income housing as a part of a broader development that will include an additional proposed 92 units of new construction mixed-income housing (the “New Construction Improvements”). The Improvements (defined below), together with the Developer’s obligations under this Agreement, are collectively referred to herein as the “Project”. The Improvements are anticipated to have an estimated Total Development Cost of Thirty-Nine Million and No/100 Dollars (\$39,000,000.00) by or on behalf of the Developer. The DPRP Improvements, as a component of the Improvements, are anticipated to have an estimated DPRP Development Cost of Seven Million Two Hundred Thirty-Five Thousand Four Hundred Eighty-Nine and No/100 Dollars (\$7,235,489) by or on behalf of the Developer.

1.2 Authority.

The DIA Board has authorized execution of this Agreement pursuant to DIA Resolutions 2022-11-06 and 2022-12-03 (collectively, the “Resolution”) and City Council has approved this Agreement pursuant to Ordinance 2023-___-E.

1.3 Coordination by DIA.

The DIA hereby designates the Chief Executive Officer of the DIA (the “CEO”) to be the initial Project Coordinator who will, on behalf of the DIA, coordinate with the Developer and administer this Agreement according to the terms and conditions contained herein, and in the Exhibit(s) attached hereto and made a part hereof. The CEO may designate another representative to serve as Project Coordinator and will provide notice thereof to Developer in accordance with the notice provisions hereof. It shall be the responsibility of the Developer to coordinate all Project related activities and all matters under this Agreement with the designated Project Coordinator, unless otherwise stated herein.

1.4 Maximum Indebtedness.

The maximum indebtedness of the City and DIA for all loans, fees, reimbursable items or other costs pursuant to this Agreement shall not exceed the sum of THREE MILLION

TWENTY-THREE THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$3,023,400.00).

1.5 Availability of Funds.

The DIA’s obligations under this Agreement are contingent and expressly conditioned upon available and lawfully appropriated funds to the Project and this Agreement.

**Article 2.
DEFINITIONS**

As used in this Agreement, the following terms shall have the meaning set opposite each:

2.1 Affordable Housing Support Loan.

That certain \$625,000 Affordable Housing Support Loan from the DIA to Developer, to be funded upon Substantial Completion of the Project, as further detailed in Article 5 below.

2.2 Budget.

The construction budget for the rehabilitation of the Building reviewed and approved by the DIA in the total amount of \$5,449,720 (the “Minimum DPRP Construction Costs”), which includes DPRP Construction Costs to be incurred in each of the funding categories (each, a “Funding Category”) and in the minimum amounts (each a “Funding Category Minimum”) set forth in the table below:

Funding Category	Funding Category Minimum
Exterior	\$1,001,800
Interior Restoration	\$ 0
Interior Rehabilitation	\$2,098,800
Code Compliance	\$1,620,550
General Requirements	\$ 125,000
N/A	\$ 603,570
Minimum DPRP Construction Costs:	\$5,449,720

The category “N/A” is not required to be met as a Funding Category. Minimum for reimbursement of other categories under the DPRP. For further clarity, there will be no reimbursement for expenditures categorized as “N/A” in the construction budget.

2.3 Building.

That certain approximately 46,408 gross square foot historic building located on the Project Parcel that will be redeveloped with the DPRP Improvements in accordance with this Agreement.

2.4 CCR Loan.

A DPRP Loan that meets the parameters outlined in the DPRP Guidelines, underwritten to provide funding support up to seventy-five percent (75%) of eligible costs associated with improving the mechanical systems, providing ADA compliance, environmental remediation, to address life safety issues, or other code related expenditures related to redevelopment of the Project Parcel as may be determined eligible by DIA. A CCR Loan does not have an interest payment requirement and the forgivable term for the principal amount is five years when used in conjunction with an HPRR Loan, and otherwise is forgivable over ten years when not used in conjunction with an HPRR Loan.

2.5 CEO.

The Chief Executive Officer of the DIA.

2.6 City.

The City of Jacksonville, Florida, a municipal corporation and a political subdivision of the State of Florida.

2.7 COA.

Certificate of Appropriateness issued by the JHPC or Historic Preservation Section.

2.8 Commencement of Construction.

The terms "Commence" or "Commenced" or "Commencing" Construction as used herein when referencing the Improvements or any portion thereof means the date when Developer submits documentation in form and substance acceptable to the DIA that it (i) has obtained all federal, state or local permits and approvals as required for the Completion of the Improvements or otherwise as necessary for the demolition of the existing improvements and construction of the Improvements, (ii) has obtained and closed on all necessary funding for the construction and Completion of the Project, and (iii) has begun physical, material construction (e.g., site demolition, land clearing, utility installation, or such other evidence of commencement of construction as may be approved by the DIA in its reasonable discretion) of the Improvements on an ongoing basis.

2.9 DDRB.

The City of Jacksonville's Downtown Development Review Board.

2.10 Deferred Principal Loan.

A DPRP Loan that meets the parameters outlined in the DPRP Guidelines, which is required in cases where developer equity is less than twenty-five percent (25%) of DPRP Development Cost determined in underwriting the capital needs of the Project. A Deferred Principal Loan requires principal to be repaid at the earlier of the sale or refinance of the Project Parcel, or at the sixteenth anniversary of funding under terms defined further herein. A Deferred

Principal Loan also requires interest payments to be made annually on the anniversary date at a rate equal to the U.S. 10 Year Treasury Note Yield as of the date of closing (quoted as TMUBMUSD10Y) multiplied by the average monthly balance outstanding in each year, or as otherwise may be approved under terms defined further herein.

2.11 DIA Board.

The community redevelopment area board, and the governing body of the DIA created by ordinance to manage Downtown economic development, as the same shall be from time to time constituted, charged with the duty of governing the DIA CRA and such other duties as set forth in Chapter 55, *Ordinance Code*.

2.12 DPRP Construction Costs.

The costs incurred by Developer to construct the DPRP Improvements as set forth in the Budget including the cost of labor, materials, general liability insurance, permits, contingencies, construction management fees, general conditions and general requirements.

2.13 DPRP Development Costs.

“DPRP Development Costs” includes the following costs incurred with regard to the DPRP Improvements as determined by the DIA (i) the costs approved in underwriting for the acquisition of the Building and portion of land associated only with the DPRP Improvements, which may include, as applicable, the market value of real property owned by Developer and utilized as part of the DPRP Project, taking into consideration the amount of debt at the time of approval by the DIA Board; (ii) the construction costs as negotiated with a qualified general contractor; and (iii) additional soft costs typically eligible for capitalization in development activity of the type set forth in this Agreement. For the avoidance of doubt, DPRP Development Costs shall include the value of the real property, DPRP Construction Costs for the DPRP Improvements, and certain soft costs as identified in underwriting. Notwithstanding the foregoing, DPRP Development Costs may not include any fees to Developer or any owner of the Project Parcel, nor shall it include F,F,&E, marketing costs, property taxes, appraisal and market study costs, FHFC fees, loan fees, and operating reserves.

2.14 DPRP Guidelines.

The Downtown Preservation and Revitalization Program Guidelines (the “DPRP”) as authorized by Ordinance 2020-527-E and modified by Ordinance 2022-372-E, and incorporated herein by reference as if fully set forth herein.

2.15 DPRP Improvements.

Those certain improvements to the historic, three-story building located at 325 E. Duval Street to provide 28 units of mixed-income housing, as further detailed on **Exhibit B** attached hereto.

2.16 DPRP Loan(s).

One or more loans authorized by this Agreement and funded as authorized by and pursuant to the DPRP Guidelines, which may include (i) a HPRR Loan; (ii) a CCR Loan; and (iii) a Deferred Principal Loan from the City to the Developer with respect to the DPRP Improvements in accordance with the terms and conditions set forth in this Agreement and the DPRP Guidelines.

2.17 Historic Preservation Section.

The Historic Preservation Section of the City of Jacksonville Planning and Development Department.

2.18 HPRR Loan.

A DPRP Loan that meets the parameters outlined in the DPRP Guidelines, underwritten to provide funding support up to:

- (a) seventy-five percent (75%) of eligible costs for the restoration or rehabilitation of the Building exterior;
- (b) seventy-five percent (75%) of eligible costs for the restoration of historic features on the Building interior;
- (c) thirty percent (30%) of eligible costs for the rehabilitation of the Building interior; and
- (d) twenty percent (20%) of eligible costs for general requirements and overhead of the general contractor for the DPRP Improvements.

To be eligible for funding, all work must be reviewed and approved by the Planning and Development Department for consistency with the United States Secretary of Interior Standards and applicable design guidelines during application processing and for verification upon completion and request for funding under terms defined further herein.

2.19 Improvements.

The DPRP Improvements and the New Construction Improvements, collectively.

2.20 JHPC.

The City of Jacksonville Historic Preservation Commission.

2.21 New Construction Improvements.

A five-story building with common amenity space and surface parking with approximately 126 parking spaces on the first floor and approximately 92 residential units on floors two through five, plus an underground parking level with approximately 23 spaces as approved by the DDRB at its March 17, 2022, meeting.

2.22 Ordinance Code.

The Ordinance Code of the City of Jacksonville.

2.23 Plans and Specifications.

Those certain plans and specifications conditionally approved in writing by the Historic Planning Section of the Planning and Development Department in its COA-21-26303 dated November 12, 2021, the Downtown Development Review Board at its March 17, 2022 meeting, and the DIA as approved by its Board in resolutions 2022-11-06 and 2022-12-03.

2.24 Project Parcel.

That certain parcel of real property and all improvements thereon as further described on **Exhibit A** attached hereto and incorporated herein by this reference.

2.25 Substantial Completion.

“Substantially Completed”, “Substantial Completion” or “Completion” means that all permits have been finalized, a certificate of substantial completion has been issued by the contractor and verified by the architect of record, if any, and the Improvements are available for use in accordance with their intended purpose; and a temporary certificate of occupancy has been issued subject only to commercially reasonable punch list items, completion of tenant improvements and similar items.

2.26 Total Development Costs.

“Total Development Costs” includes the following costs incurred with regard to the Improvements as determined by the DIA (i) the costs approved in underwriting for the acquisition of the Building and the development parcels identified by RE#s 073617-1000 and 073617-0020, which may include, as applicable, the market value of real property owned by Developer and utilized as part of the Project Parcel, taking into consideration the amount of debt at the time of approval by the DIA Board; (ii) the construction costs as negotiated with a qualified general contractor; and (iii) any additional cost incurred in connection with the development of the Improvements (including but not limited to soft costs, financing costs, and developer fee).

Other capitalized terms not defined in this Article shall have the meanings assigned to them elsewhere in this Agreement.

Article 3.
APPROVALS; PERFORMANCE SCHEDULES

3.1 Performance Schedule.

The Developer and the DIA have jointly established the following dates for the performance of each party's respective obligations with respect to the construction of the Improvements (herein called the "Performance Schedule"):

- (a) The Developer shall obtain all necessary permits and governmental approvals and Commence Construction of the Improvements by no later than six (6) months from the Effective Date of this Agreement. Developer shall provide written notice to City within five (5) days of the actual Commencement of Construction date (the "Improvements Commencement Date") and provide supporting documentation to that effect.
- (b) The Improvements shall be Substantially Completed within twenty-four (24) months from the Improvements Commencement Date, in accordance with the terms and conditions of this Agreement (the "Improvements Completion Date").

The Developer hereby agrees to undertake and complete the Project in accordance with this Agreement and the Performance Schedule, and to comply with all of its obligations set forth herein. The CEO shall have the authority to extend the Performance Schedule for up to six (6) months for good cause shown by the Developer, in the CEO's sole discretion. For purposes of clarity, an extension applicable to the Improvements Commencement Date shall also apply to the Improvements Completion Date, so that a single extension provided will apply to both such dates simultaneously.

3.2 Approval of Agreement.

By the execution hereof, the parties certify as follows:

- (a) The Developer certifies that:
 - (i) the execution and delivery hereof has been approved by all parties whose approval is required under the terms of the governing documents creating the particular Developer entity;
 - (ii) this Agreement does not violate any of the terms or conditions of such governing documents and the Agreement is binding upon the Developer and enforceable against it in accordance with its terms;
 - (iii) the person or persons executing this Agreement on behalf of the Developer are duly authorized and fully empowered to execute the same for and on behalf of the Developer;
 - (iv) the Developer and each entity composing the Developer is duly authorized to transact business in the State of Florida and has received all necessary

permits and authorizations required by appropriate governmental agencies as a condition to doing business in the State of Florida; and

- (v) the Developer, its business operations, and each person or entity composing the Developer are in material compliance with all federal, state, and local laws, to the extent applicable to the Project and which could have a material adverse effect on the Project and the Developer's ability to complete the Project in accordance with this Agreement.
- (b) The DIA certifies that the execution and delivery hereof is binding upon the DIA to the extent provided herein and enforceable against it in accordance with its terms.
- (c) The City certifies to Developer that the execution and delivery hereof is binding upon the City to the extent provided herein and enforceable against the City in accordance with the terms hereof.

Article 4.

DOWNTOWN HISTORIC PRESERVATION AND REVITALIZATION PROGRAM

4.1 Downtown Preservation and Revitalization Program Loans.

Pursuant to Section 55.303, *Ordinance Code*, the DIA is authorized to award applicants DPRP Loans, subject to City Council approval. Developer has applied with the DIA for DPRP Loans as set forth in this Agreement and has been approved for the DPRP Loans listed below subject to the conditions as set forth in this Agreement. The DPRP Loans, as to the Building, are subject to the scope of work set forth in the COA as approved by the Historic Preservation Section of the Planning and Development Department (the "Historic Preservation Section") and any conditions contained therein (the "COA Conditions") and together with any other conditions imposed by the DIA, DDRB and/or other City departments, the "Conditions").

Historic Preservation, Restoration, and Rehabilitation Forgivable Loan (HPRR)	Code Compliance Forgivable Loan (CCR)	DPRP Deferred Principal Loan	TOTAL
\$1,029,100	\$889,600	\$479,700	\$2,398,400

4.2 DPRP Development Costs; Minimum Expenditures.

In order to be eligible for the maximum amount of the DPRP Loans, prior to funding on any DPRP Loan, the Developer must provide evidence and documentation, sufficient to demonstrate to the DIA in its sole but reasonable discretion, the following, as specifically and uniquely attributable to the Building: (i) a total equity capital contribution of at least SEVEN HUNDRED SEVENTY THOUSAND AND NO/100 DOLLARS (\$770,000.00) (the "Required Equity"); (ii)

DPRP Development Costs incurred of at least SEVEN MILLION TWO HUNDRED THIRTY-FIVE THOUSAND FOUR HUNDRED EIGHTY-NINE AND NO/100 DOLLARS (\$7,235,489.00) (the “Minimum DPRP Development Costs”); (iii) DPRP Construction Costs incurred of at least the Minimum DPRP Construction Costs, and (iv) DPRP Construction Costs incurred of at least the Funding Category Minimum with respect to each respective Funding Category. Notwithstanding the foregoing, the required Minimum DPRP Development Costs attributable to the Building may be reduced by the DIA in its sole and absolute discretion by a maximum of ten percent (10%) overall without affecting Developer’s eligibility for the approved DPRP Loans. In addition, the required Minimum DPRP Construction Costs may be reduced by the DIA in its sole and absolute discretion by a maximum of ten percent (10%) overall; provided that, in such event, there shall be a pro rata reduction in the applicable DPRP Loan.

Notwithstanding anything in this Agreement to the contrary, (1) in the event the DPRP Construction Costs incurred within any Funding Category are less than the applicable Funding Category Minimum, the related DPRP Loans shall be reduced on a pro rata basis; provided that, if the DPRP Construction Costs incurred within any Funding Category are less than ninety percent (90%) of the applicable Funding Category Minimum, but not less than 85% of the applicable Funding Category Minimum, then any funding of a related DPRP Loan shall require the review and approval of the DIA Board which approval may be withheld in its sole and absolute discretion, and (2) in the event the DPRP Development Costs incurred are less than 85% of the Minimum DPRP Development Costs or the DPRP Construction Costs incurred attributable to the Building are less than 85% of the Minimum DPRP Construction Costs, each as determined by the DIA, the Developer shall be ineligible for any DPRP Loans.

Funding Category	Funding Category Minimum	Funding Category 90% Threshold	Funding Category 85% Threshold
Exterior	\$1,001,800	\$ 901,620	\$ 851,530
Interior Restoration	\$ 0	\$ 0	\$ 0
Interior Rehabilitation	\$2,098,800	\$1,888,920	\$1,783,980
Code Compliance	\$1,620,550	\$1,458,495	\$1,377,468
General Requirements	\$ 125,000	\$ 112,500	\$ 106,250
N/A	\$ 603,570	N/A	\$ 513,035
Minimum DPRP Construction Costs:	\$5,449,720	N/A	\$4,632,262

1 The category "N/A" is not required to be met as a Funding Category Minimum for reimbursement of other categories under the DPRP. For further clarity, there will be no reimbursement for expenditures categorized as "N/ A" in the construction budget.

4.3 Construction of Improvements.

After the Developer obtains all applicable approvals with respect to the Improvements, the Developer shall construct the Improvements in accordance with the terms of this Agreement and COA, the Conditions, the scope of work as set forth herein for the Improvements and in substantial compliance with the Plans and Specifications. The Developer will pay all costs of the Improvements. The Developer shall comply with all requirements of this Agreement and the

DPRP Guidelines. The Plans and Specifications shall not be materially modified without the prior written approval of the CEO.

4.4 Conditions to Disbursement of DPRP Loans.

In addition to the conditions precedent set forth in Section 1.5, above, the DIA's obligation to disburse any portion of a DPRP Loan to the Developer with respect to the DPRP Improvements is conditioned upon the prior occurrence of each the following conditions precedent with respect to each Loan, and otherwise in accordance with the terms of this Agreement:

(a) The Building must have been designated as a local historic landmark by the City Council of Jacksonville and, if applicable, must have received approval from the National Park Service on the Part 3 application submitted for the project.

(b) The Developer shall submit to the DIA a completed written disbursement request (the "Disbursement Request") with respect to the DPRP Improvements in accordance with the terms and conditions set forth in this Agreement, on the Disbursement Request Form attached hereto as Exhibit C. In the Disbursement Request, the Developer shall certify and describe in detail reasonably acceptable to the DIA (a) the cost of the labor that has been performed and the materials that have been incorporated into the DPRP Improvements, and (b) the amount actually paid by the Developer for such labor and materials. The Developer shall attach to the Disbursement Request such pay applications supported by contractor affidavits and lien waivers, or invoices, receipts, canceled checks (or evidence that payment has cleared the Developer's banking account) and other documents as may be required by the DIA evidencing that the costs and expenses submitted for payment were actually incurred and paid for by the Developer and were expended on and pertain to the DPRP Improvements;

(c) All property taxes on the Project Parcel must be current and no municipal liens shall be outstanding;

(d) The Building and Project Parcel shall be in compliance with all applicable state and local laws, ordinances and regulations and the Developer must be utilizing the Building in accordance with the DPRP Guidelines and this Agreement;

(e) No default with respect to the Developer's obligations under this Agreement or an event which, with the giving of notice or the passage of time, or both, would constitute a default with respect to Developer's obligations under this Agreement, has occurred or is continuing;

(f) The Developer shall furnish to the DIA with respect to the Improvements, in accordance with the terms and conditions set forth in this Agreement, a temporary certificate of occupancy or its equivalent and such other permits and/or certificates (including a certificate of substantial completion issued by the contractor and certified by the architect of record) as shall be required to establish to the DIA's satisfaction that the Improvements have been Substantially Completed in accordance with the terms of this Agreement and are not subject to any material violations or uncorrected conditions noted or filed in any City department;

(g) The Developer shall submit to the DIA with respect to the Improvements, a proper contractor's final affidavit and full and complete releases of liens from each contractor, subcontractor and supplier, and such other proof satisfactory to the DIA in its reasonable discretion, confirming that final payment has been made for all materials supplied and labor furnished in connection with the Project or that, in the event of a dispute in any amount owed, such amount is properly bonded off pursuant to Florida law so that it will not become a lien on the Project Parcel;

(h) Prior to submission of a Disbursement Request, the Developer shall provide evidence and documentation as set forth in Section 4.4(b), (c) and (f) sufficient to demonstrate to the DIA, in its reasonable discretion, satisfaction of the Required Equity, the Minimum DPRP Development Costs, the Minimum DPRP Construction Costs, and the DPRP Construction Costs incurred with respect to each Funding Category in the amount of the respective Funding Category Minimum, as each of the same may be reduced consistent with Section 4.2 hereof;

(i) The Improvements shall have been Substantially Completed in all respects in accordance with the terms and conditions of this Agreement, as verified by a final inspection report satisfactory to the DIA, certifying that the Improvements have been constructed in a good and workmanlike manner and are in satisfactory condition. In the event the DIA determines that there is a deficiency with the Improvements the DIA reserves the right to require that an escrow be established in an amount satisfactory to the DIA to remedy such deficiency;

(j) With respect to the DPRP Improvements and in accordance with the terms and conditions set forth in this Agreement and the DPRP Guidelines, the Developer must submit to a "post-work" inspection by the Historic Preservation Section or consultant to examine the Developer's compliance with previously approved Permits, the COAs, the Conditions, and all Historic Preservation Section interpretations issued to the Developer. The Historic Preservation Section shall have completed this "post-work" inspection and be satisfied that the Developer has met the obligations of this Agreement in accordance with the following criteria, as applicable: (a) United States Department of Interior Standards for Historic Preservation; (b) United States Department of Interior Standards for Rehabilitation; (c) the COA from the Jacksonville Historic Preservation Commission; and (d) the scope of work for the Improvements;

(k) The Developer shall take all action necessary to have any mechanic's and materialmen's liens, judgment liens or other liens or encumbrances filed against the Project Parcel (other than any consensual mortgage) released or transferred to bond within thirty (30) days of the date the Developer receives notice of the filing of such liens or encumbrances. If any such lien or encumbrance is filed, the DIA shall have received a copy of the recorded release. The DIA shall not be obligated to disburse any of the DPRP Loan funds to the Developer if, in the reasonable opinion of the DIA, any such disbursement or the Project or Project Parcel would be subject to a mechanic's or materialmen's lien or any other lien or encumbrance other than inchoate construction liens. The Developer shall be fully and solely responsible for compliance in all respects whatsoever with the applicable mechanic's and materialmen's lien laws;

(l) If applicable, the Developer shall have applied for and received and provided to the DIA a final certification of completed work for the DPRP Improvements from the National Park Service;

(m) The Developer shall have provided to the DIA, in form and substance reasonably satisfactory to the DIA, any such other document, instrument, information, agreement or certificate the DIA may reasonably require related to the construction or completion of the Improvements, and all Loan Documents shall have been executed and delivered by the Developer; and

(n) All other conditions and requirements under the DPRP Guidelines have been satisfied as determined by the DIA in its sole but reasonable discretion.

4.5 Loan Amount; Loan Program.

The total of all DPRP Loans to be disbursed under this Agreement shall not exceed the lesser of (i) the amount of \$2,398,400, and (ii) any pro rata amount as determined in Section 4.2. No DPRP Loan may exceed the limits set forth in the DPRP Guidelines, including with respect to DPRP Development Costs (as defined in the DPRP Guidelines and Section 1.1 above). The term “Eligible Expenses” shall mean those expenses that are (i) within DPRP Development Costs as approved by the DIA, (ii) actually incurred by the Developer to construct the DPRP Improvements meeting the standard criteria used by the DIA and the Historic Preservation Section in determining eligible improvements or otherwise eligible hereunder, and (iii) eligible for the applicable DPRP Loans pursuant to the terms and conditions of this Agreement, the DPRP Guidelines, the COA and the Conditions. All Eligible Expenses shall be determined by the Historic Preservation Section and the DIA in its reasonable discretion. Upon such a determination of Eligible Expenses for the DPRP Improvements, subject to the compliance with all of the conditions precedent in Section 1.5 and Section 4.4, above, including, without limitation, paid invoices matching the applicable scope of work, a contractor’s affidavit, mechanics’ lien releases and other evidence (including without limitation site inspections and other inspection reports) that may be required in the reasonable discretion of the City or DIA, the applicable DPRP Loans with respect to the Eligible Expenses incurred in the DPRP Improvements will be disbursed, subject to adjustment as set forth in Section 4.2 hereof.

4.6 DPRP Loan Terms; Loan Documents.

The maturity date of each DPRP Loan disbursed hereunder shall be as set forth elsewhere in this Agreement and as set forth in the applicable loan documents, in accordance with the DPRP Guidelines. For so long as there is no default under this Agreement or any Loan Document, each HPRR Loan and CCR Loan shall be forgiven at the rate of twenty percent (20%) per annum, in accordance with the DPRP Guidelines and the provisions of this Agreement. The principal balance of the Deferred Principal Loan shall be due and payable at the end of the term of the Deferred Principal Loan, or upon the sale, refinancing or conveyance of all or any portion the Project Parcel.

These terms shall be more fully set forth in the promissory notes to be executed and delivered by the Developer in connection with each DPRP Loan (the “Notes”), a mortgage

securing the Notes (the “Mortgage”) and the related loan documents. In addition to the Notes and the Mortgage, the Developer shall also execute and deliver all other security agreements, documents, instruments, and certificates required by the DIA under this Agreement or in connection with any DPRP Loan (collectively with the Notes, the “Loan Documents” and each, a “Loan Document”). The DPRP Loans shall be subordinate only to the Prime Loan (defined below), the JHFA Loan (defined below), and the AHS Loan (defined below).

Loan component	Amount	Interest Rate	Term	Repayment Schedule	Amortization
HPRR Loan	\$1,029,100	0.0%	5 years	None	20%/year
CCR Loan	\$889,600	0.0%	5 years	None	20%/year
DPRP Deferred Principal Loan	\$479,700	10-year Treasury yield at time of closing. ¹	16 years	Interest only annually; Principal balloons at maturity	None- due in full at maturity, refinance, or disposition.

1- Or such earlier date as may be required by a senior lender providing debt on the Improvements.

**Article 5.
AFFORDABLE HOUSING SUPPORT LOAN**

5.1 Affordable Housing Support Loan.

Upon Substantial Completion of the Project, the DIA shall fund a loan from its loan fund in the amount of \$625,000 (the “AHS Loan”) to the Developer upon the following terms and conditions:

(a) **Conditions Precedent:** The DIA’s obligation to fund the AHS Loan to the Developer is conditioned upon prior occurrence of the following:

(i) Selection by the Jacksonville Housing Finance Authority for the Local Government Area of Opportunity Funding Loan Request NOFA 2021-1 in conjunction with FHFC RFA 2021-202 has been met.

(ii) An allocation of 9% low-income housing tax credits from the Florida Housing Finance Corporation under RFA 2021-202 has been met.

(iii) The Developer must document a minimum Total Development Cost of \$37,050,000 as determined in the reasonable discretion of the DIA.

(iv) The Developer must promptly furnish the DIA evidence satisfactory to the DIA that the Developer has acquired the Project Parcel and applicable permits have been issued and the Improvements have been Substantially Completed and a temporary certificate of occupancy issued.

(v) All property taxes on the Project and the Project Parcel must be current.

(vi) Additionally, Developer shall take all action necessary to have any construction liens, judgment liens or other liens or encumbrances filed against the subject property, other than the first mortgage or other encumbrances acceptable to the DIA in its sole discretion, released or transferred to bond within ten (10) days of the date Developer receives notice of the filing of such liens or encumbrances. If any such lien or encumbrance is filed, the City shall not be required to make any disbursement of the AHS Loan until such lien or encumbrance is bonded over or removed and the City receives a copy of the recorded release. The City shall not be obligated to disburse any of the AHS Loan to the Developer if, in the opinion of the City, any such disbursement or the Project or the Project Parcel would be subject to a construction lien or any other lien or encumbrance other than inchoate construction liens. Developer shall be fully and solely responsible for compliance in all respects whatsoever with the applicable construction lien laws.

(vii) Release of City funds shall be pursuant to a draw schedule approved by the DIA as set forth in Section 5.1(h), below. The DIA shall have received final contractor's affidavits, construction lien releases and temporary certificates of occupancy for the Project.

(viii) All outstanding principal and accrued interest on the AHS Loan shall be due and payable upon the sale or transfer of the Project or the Project Parcel.

(b) **Amount:** The principal amount of the AHS Loan is \$625,000.

(c) **Use of Proceeds:** The proceeds of the AHS Loan shall be used in connection with the Project located at the Project Parcel, for the purpose of providing long term financing for the Project.

(d) **Interest Rate:** Interest shall accrue and be paid on the outstanding balance of the AHS Loan at 1.0% per annum. The loan documents shall provide that, from and after the occurrence of any event of an uncured default under the loan documents, the AHS Loan shall accrue interest at ten percent (10%) per annum, and the DIA may, without notice or demand, declare the entire principal sum then unpaid immediately due and payable.

(e) **Priority:** The AHS Loan will be secured by a mortgage in the amount of the AHS Loan subordinate only to a senior construction or permanent loan(s) as approved by DIA staff (the "Prime Loan"), and a Jacksonville Housing Finance Authority Loan in the amount of \$2,500,000 related to the Improvements (the "JHFA Loan").

(f) **Terms of Repayment:** The term of the AHS Loan is twenty (20) years from closing on the AHS Loan. The interest rate is 1.0 percent (1.0%) per annum. There are annual AHS Loan payments due. The principal balance of the AHS Loan shall be due and payable at the end of the term of the AHS Loan, or upon the sale, refinancing or conveyance of the Project Parcel. The AHS Loan shall be disbursed within thirty (30) days from the date of the

temporary Certificate of Occupancy. Principal plus any and all remaining accrued interest will be due in full at maturity.

(g) **Collateral:** The AHS Loan shall be secured by a mortgage (the “Mortgage”) in favor of the City, a promissory note, a security agreement and such other loan documents necessary or appropriate to secure the debt. The Mortgage shall be subordinate only to the Prime Loan and the JHFA Loan.

(h) **Draws:** Draws shall be made as follows:

(i) Subject to satisfaction of the requirements outlined in 5.1(a), AHS Loan proceeds will be disbursed lump sum to Developer within thirty (30) days of Substantial Completion of the Project and Improvements.

(ii) The draw request shall be for the total undisbursed amount of the AHS Loan and shall be made upon Substantial Completion of the Project and Improvements in accordance with this Agreement.

(iii) The draw request must be made on the form attached hereto as **Exhibit C**.

5.2 AHS Loan Documents

(a) All documentation relating to the AHS Loan shall be prepared by counsel for the DIA and shall contain such representations, warranties, covenants, conditions (e.g. a due on sale clause), events of default, rights, remedies and other terms in addition to those specifically set forth herein as the DIA deems reasonably necessary or appropriate and shall otherwise be satisfactory in all respects to the DIA and its counsel.

(b) The loan documents shall include such audited and unaudited financial reporting requirements for the Developer and/or the Project as the DIA may require.

5.3 Additional Requirements.

In addition to the above, the following conditions must be met prior to the DIA’s funding of the transactions contemplated herein:

(a) The Developer shall provide the DIA with any and all documents requested by the DIA at Developer’s expense, which may include, without limitation, the following documents at or before closing on the AHS Loan:

- (i) Mortgage and Security Agreement;
- (ii) Promissory Note;
- (iii) Collateral Assignment of Rents and Leases;

- (iv) Collateral Assignment of Contracts, Licenses and Permits;
- (v) Borrower's Title and No Lien Affidavit;
- (vi) Environmental Affidavit;
- (vii) Borrower's Certificate;
- (viii) Anti-Coercion Statement;
- (ix) Agreement to Provide Insurance;
- (x) Title Commitment insuring DIA's mortgage, subject only to the Prime Loan and to exceptions acceptable to the DIA in its sole discretion;
- (xi) Copies of any existing leases;
- (xii) Survey certified to DIA and City;
- (xiii) Copies of licenses, permits, operating contracts;
- (xiv) Evidence of insurance with DIA listed as additional insured and loss payee in form and content acceptable to the DIA;
- (xv) Consent of Prime Mortgage Holder to Mortgage;
- (xvi) Opinion of Borrower's Counsel; and
- (xvii) Any other documents or reports requested by the DIA.

5.4 Fees and Costs.

The Developer shall pay all of the DIA's fees, expenses and costs in connection with the documentation, closing, administration and collection of the AHS Loan, whether or not the transaction contemplated herein is consummated. Such costs include, without limitation, all attorney's fees and costs, filing fees, title review, intangible tax, recording fees, title, site inspection, survey, letter of credit fees and documentary stamp taxes, if any, which are incurred in connection with this Agreement or the negotiation, documentation and/or closing of the transaction contemplated by this Agreement, whether or not such transaction is closed.

5.5 Closing Conditions.

Prior to making any disbursement under the AHS Loan, the DIA shall receive, at the Developer's expense, such additional items in form and substance satisfactory to the DIA and its counsel as deemed necessary or appropriate, including, without limitation, evidence that the Project has been and will be operated in accordance with all applicable environmental laws and regulations. The loan documents governing the AHS Loan will include, without limitation, such

environmental representations, warranties, indemnities and other provisions as the DIA may reasonably require.

5.6 Prepayment.

The AHS Loan may be repaid in full without penalty at any time and the funds are to be placed in the Downtown Economic Development Fund or such other fund as may be directed by the City Council.

5.7 Termination.

At the loan closing, the Developer shall certify to the DIA that none of the events listed below have occurred, and the DIA may, at its option, terminate the funding of the transaction contemplated hereunder by written notice to the Developer, at the address set forth in Section 10.3 of this Agreement, upon:

(a) The commencement by or against the Developer of any bankruptcy, insolvency or similar proceedings.

(b) The Developer's assignment for the benefit of its, its creditors, or admission in writing of its inability to pay its debts as they become due.

(c) Any change in the financial condition of the Project, the Developer which is, in the sole discretion of the DIA, material and adverse.

(d) If any statement or representation made by the Developer, or related to the Project in connection with or in support of the AHS Loan, shall prove untrue in any material respect.

(e) Default by the Developer in the performance of any other material covenant, condition or agreement set forth in this Agreement.

(f) Any default by the Developer under any other obligation owed by it to the DIA.

Any termination shall not affect the DIA's rights to enforce the provisions of this Agreement regarding costs and expenses or indemnification. All such rights shall survive any such termination.

5.8 Limitation on Damages.

The Developer hereby acknowledges and agrees that the Developer's damages for any failure by the DIA to fund the AHS Loan contemplated in this Agreement shall be limited to \$625,000.00.

5.9 Further Disclaimer.

The AHS Loan shall not be deemed to constitute a debt, liability or obligation of the City, DIA or of the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the City, DIA or the State of Florida or any political subdivision thereof, but shall be payable solely from the funds appropriated therefor. The City and DIA shall not be obligated to pay the AHS Loan or any installment thereof except from the non-ad valorem revenues or other legally available funds provided for that purpose, and neither the faith and credit nor the taxing power of the City, DIA or of the State of Florida or any political subdivision thereof is pledged to the payment of the AHS Loan or any installment thereof. The Developer, and any person, firm, or entity claiming by, through or under the Developer, or any other person whomsoever, shall never have any right, directly or indirectly, to compel the exercise of the ad valorem taxing power of the City, DIA or of the State of Florida or any political subdivision thereof for the payment of the AHS Loan or any installment thereof.

Article 6. LIMITATION OF LIABILITY

6.1 No Warranty by City or DIA.

Nothing contained in this Agreement or any other document attached hereto or contemplated hereby shall constitute or create any duty on or warranty by City or the DIA regarding: (a) the accuracy or reasonableness of the Project budgets; (b) the feasibility or quality of the construction documents for the Project; (c) the proper application by the Developer of the DPRP Loans or AHS Loan; (d) the quality or condition of the work; or (e) the competence or qualifications of any third-party furnishing services, labor or materials in connection with the construction of the Project. The Developer acknowledges that it has not relied and will not rely upon any experience, awareness or expertise of the City or DIA, or any City or DIA inspector, regarding the aforesaid matters.

6.2 Further Disclaimer.

The DPRP Loans shall not be deemed to constitute a debt, liability, or obligation of the City, DIA or of the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the City, DIA or of the State of Florida or any political subdivision thereof, but shall be payable solely from the funds provided therefor, respectively, in Article 4 of this Agreement. The DIA shall not be obligated to pay any DPRP Loan or any installment of the foregoing except from the non-ad valorem revenues or other legally available funds provided for that purpose, and neither the faith and credit nor the taxing power of the City, DIA or of the State of Florida or any political subdivision thereof is pledged to the payment of the DPRP Loans or any installment of the foregoing. The Developer, and any person, firm or entity claiming by, through or under the Developer, or any other person whomsoever, shall never have any right, directly or indirectly, to compel the exercise of the ad valorem taxing power of the City, DIA or of the State of Florida or any political subdivision thereof for the payment of the DPRP Loans or any installment of the foregoing.

Article 7.
THE DEVELOPMENT

7.1 Scope of Development.

The Developer shall construct and develop or cause to be constructed and developed, in substantial compliance with the times set forth in the Performance Schedule, all Improvements which the Developer is obligated to construct and develop with respect to the Project under this Agreement. The Developer shall construct all Improvements in accordance with all applicable laws and building and permitting codes.

7.2 Cost of Development.

Except as otherwise set forth in this Agreement, the Developer shall pay the cost of constructing and developing the Improvements at no cost to the DIA or City.

7.3 Approval by Other Governmental Agencies.

All of the parties' respective rights and obligations under this Agreement are subject to and conditioned upon approval of the Project and all Project Documents by such other governmental agencies, whether state, local or federal, as have jurisdiction and may be required or entitled to approve them. Notwithstanding any provision of this Agreement to the contrary, the DIA does not guarantee approval of this Agreement or any aspect of the Project by any government authorities and agencies that are independent of the DIA.

7.4 Authority of DIA to Monitor Compliance.

During all periods of design and construction, the Project Coordinator or his or her designee shall have the authority to monitor compliance by the Developer with the provisions of this Agreement and the Project Documents. Insofar as practicable, the Project Coordinator shall coordinate such monitoring and supervising activity with those undertaken by the City so as to minimize duplicate activity. To that end, during the period of construction and with a minimum of twenty-four (24) hours' prior written notice to the Developer, representatives of the City and Project Coordinator or his or her designee shall have the right of access to the Project Parcel and to every structure on the Project Parcel during normal construction hours.

7.5 Timing of Completion.

The Improvements shall be completed in accordance with the terms of this Agreement and the Performance Schedule subject to extension of such timelines pursuant to the terms of this Agreement.

7.6 Construction and Operation Management.

Except as otherwise expressly provided herein, the Developer shall have discretion and control, free from interference, interruption or disturbance, in all matters relating to the management, development, redevelopment, construction and operation of the Project, provided

that the same shall, in any event, conform to and comply with the terms and conditions of this Agreement, and all applicable state and local laws, ordinances and regulations (including without limitation, applicable zoning, subdivision, building and fire codes). The Developer's discretion, control and authority with respect thereto shall include, without limitation, the following matters:

- (a) the construction and design of the Project, subject to the express terms and conditions of this Agreement;
- (b) the selection, approval, hiring and discharge of engineers, architects, contractors, subcontractors, professionals and other third parties (collectively, the "Vendors") on such terms and conditions as the Developer deems appropriate;
- (c) the negotiation and execution of contracts, agreements, easements and other documents with third parties, in form and substance satisfactory to Developer; and
- (d) the preparation of such budgets, cost estimates, financial projections, statements, information, and reports as the Developer deems appropriate.

Article 8. JSEB PROGRAM

8.1 Jacksonville Small and Emerging Businesses (JSEB) Program.

The Developer, in further recognition of and consideration for the public funds provided to assist the Developer pursuant to this Agreement, hereby acknowledges the importance of affording to small and emerging vendors and contractors the full and reasonable opportunity to provide materials and services. Therefore, the Developer hereby agrees as follows:

- (a) The Developer shall obtain from the City's Procurement Division the list of certified Jacksonville Small and Emerging Businesses ("JSEB"), and shall exercise good faith, in accordance with Sections 126.608 et seq., *Ordinance Code*, to enter into contracts with City certified JSEBs to provide materials or services in an aggregate amount of not less than twenty percent (20%) of the DIA's and City's maximum potential contribution to the Project as requested from time to time with respect to the development activities or operations of the Project over the term of this Agreement; and
- (b) The Developer shall submit JSEB report(s) regarding the Developer's actual use of City certified JSEBs on the Project, (i) on the date of any request for DIA funds which are payable prior to the Completion of Construction, (ii) upon Completion of Construction. The form of the report to be used for the purposes of this section is attached hereto as **Exhibit D** (the "JSEB REPORTING FORM").

Article 9.
LOAN PERIOD; REPORTING; SITE VISITS

9.1 Taxes.

All property, business, and income taxes must be maintained in current status (subject to extensions permitted pursuant to applicable law) throughout the term of this Agreement, and through all DPRP Loan periods and AHS Loan period.

9.2 Reporting.

On an annual basis, and prior to March 1 each year this Agreement is in effect, the Developer shall submit reports to the DIA regarding all activities affecting the implementation of this Agreement, including a narrative summary of progress on the Project. Developer shall also submit to the DIA its notice of ad valorem taxes paid with respect to the Project Parcel contemporaneously with such payment.

The Developer's obligation to submit such reports shall continue until the Developer has complied with all of the terms of this Agreement concerning the construction and Substantial Completion of the Project and during the term of each outstanding DPRP Loan and the AHS Loan. Within thirty (30) days following the receipt of a request of the DIA, the Developer shall provide the DIA with additional information reasonably requested by the DIA.

9.3 Site Visits.

After Substantial Completion and for so long as City or DIA has any payment obligations to Developer pursuant to this Agreement, Developer shall permit representatives from the City and DIA and other designated City/DIA personnel, to monitor compliance by Developer with the provisions of this Agreement. Once per calendar year, with a minimum twenty-four (24) hours' prior notice to Developer, the Project Coordinator, or his or her designee, shall have the right to tour non-public portions of the Project and access Developer's relevant business records related to the Project and this Agreement, during normal business hours, provided, however, that Developer shall have the right to have a representative of Developer present during any such inspection. Public portions of the Project, such as restaurants and retail spaces open to the public, may be visited without notice during normal operating hours of the respective businesses.

9.4 Transfer or Refinance During DPRP Loan and AHS Loan Periods.

DIA reserves the right in its discretion to approve any sale or disposition or change in controlling interest of the ownership entity (with the exception of changes in ownership as a result of the exit of the membership interests of the tax credit investor) of the Building or the Project Parcel during the DPRP Loan and AHS Loan periods. If DIA fails to respond to a request for approval of a sale or disposition or change in ownership within twenty (20) business days, DIA shall be deemed to have waived such approval right. DIA further reserves the right to approve any refinance of the senior debt during the DPRP Compliance Period other than the conversion of the construction loan for the Improvements to permanent debt.

Article 10.
DEFAULTS AND REMEDIES

10.1 General.

A default shall consist of the breach of any covenant, agreement, representation, provision, or warranty contained in (i) this Agreement (including, but not limited to, any failure to meet the reporting requirements described herein), (ii) any documents executed by Developer in connection with this Agreement, (iii) any document provided to the DIA in connection with the underwriting and approval of the Project, (iv) any of the loan documents related to the loans authorized pursuant to this Agreement; or (v) any default beyond the applicable cure periods under any and all financing agreements related to the Improvements that entitles the lender to accelerate or foreclose on the loan and exercise its remedies under the applicable loan documents (collectively, the “Project Documents”). A default shall also exist if any event occurs or information becomes known which, in the reasonable judgment of the DIA, makes untrue, incorrect or misleading in any material respect any statement or information contained in any of the documents described in clauses (i) – (iv) above or causes such document to contain an untrue, incorrect or misleading statement of material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

If any such default or breach occurs under this Agreement, the DIA and City may refuse to disburse any further funds under this Agreement, including pursuant to any DPRP Loan and the AHS Loan and additionally, may at any time or from time to time proceed to protect and enforce all rights available to the DIA or City under this Agreement by suit in equity, action at law or by any other appropriate proceeding whether for specific performance of any covenant or agreement contained in this Agreement, or damages, or other relief, or proceed to take any action authorized or permitted under applicable laws or regulations, including, but not limited to, terminating this Agreement. With the exception of defaults in connection with the Performance Schedule, for which no notice is required, the DIA and City shall not act upon a default until it has given the Developer written notice of the default and fifteen (15) business days within which to cure the default; provided, however, that the DIA and City may withhold any and all funds, including pursuant to any DPRP Loan and the AHS Loan immediately upon the occurrence of a default and throughout any notice or cure period. However, if any default cannot reasonably be cured within the initial fifteen (15) business days, Developer’s time to cure the default shall be extended during such time that Developer is diligently pursuing such cure provided that such time period shall not exceed ninety (90) days, so long as Developer has commenced and is diligently proceeding to cure such default within the initial fifteen (15) business day period.

Notwithstanding the foregoing, Developer shall immediately and automatically be in default, and neither DIA nor the City shall be required to give Developer any notice or opportunity to cure such default (and thus the DIA shall immediately be entitled to act upon such default), upon the occurrence of any of the following:

- (a) The entry of a decree or order by a court having jurisdiction in the premises adjudging the Developer a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in

respect of the Developer under the United States Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, custodian, assignee, or sequestrator (or other similar official) of the Developer or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days;

- (b) The institution by Developer of proceedings to be adjudicated a bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency proceedings against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under the United States Bankruptcy Code or any other similar applicable federal or state law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, custodian, assignee, trustee or sequestrator (or other similar official) of the Developer or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due;
- (c) Payment defaults, or other defaults that trigger legal actions against the Developer that endanger the lien position of the City, shall also be a default on the subject facilities provided that such defaults are not cured within ten (10) days; and
- (d) Payment defaults, bankruptcy filings, or other material defaults during the DPRP Loan and AHS Loan periods (subject in each case to any grace periods or notice and cure periods provided in this Agreement or any Project Documents) will trigger the right for the City of Jacksonville to accelerate all amounts funded and outstanding under any or all programs at such time plus a 20% penalty of any amounts amortized or prepaid prior to that date.

10.2 Specific Defaults.

Additionally, for any of the specific events of default described in this Section 10.2 below, the parties agree that the DIA's damages recoverable from the Developer shall include, but not be limited to, the following:

- (a) In the event reporting requirements are not met in the time period specified in this Agreement, and such failure is not cured within thirty (30) days of the date such report is required to be submitted, the DIA will be entitled to withhold any further disbursements of the DPRP Loan and AHS Loan;
- (b) In the event all property, business, and income taxes are not timely paid throughout the term of this Agreement, and through all DPRP Loan and AHS Loan periods, the DIA will be entitled to withhold all further disbursements for any DPRP Loan and the AHS Loan and all amortization or forgiveness on any outstanding DPRP Loans will cease until all taxes are brought current;

(c) In the event the Developer restructures its ownership interest in the Developer entity, sells, refinances the Project Parcel, or any portion thereof, in such a way as to remove any equity injected prior to closing, or otherwise transfers any portion of the Building, the Project Parcel or any interest in the Developer entity (collectively, the “Sale”) during the five (5) year period immediately following the date of disbursement of any DPRP Loan, the Developer shall pay to the DIA at closing of the Sale all or a portion, as applicable, of the total amount of funds disbursed under the HPRR Loan and the CCR Loan (for the purposes of this Section, collectively, the “DPRP Forgivable Loan”) with respect to the portion of the Project Parcel sold (collectively, the “Disbursed Funds”) as follows:

- (i) one hundred percent (100%) of the funds actually disbursed to Developer as part of a DPRP Forgivable Loan in the one (1) year prior to the Sale;
- (ii) eighty percent (80%) of the funds actually disbursed to Developer as part of a DPRP Forgivable Loan between the date that is one (1) year prior to the Sale and the date that is two (2) years prior to the Sale;
- (iii) sixty percent (60%) of the funds actually disbursed to Developer as part of a DPRP Forgivable Loan between the date that is two (2) years prior to the Sale and the date that is three (3) years prior to the Sale;
- (iv) forty percent (40%) of the funds actually disbursed to Developer as part of a DPRP Forgivable Loan between the date that is three (3) years prior to the Sale and the date that is four (4) years prior to the Sale; and
- (v) twenty percent (20%) of the funds actually disbursed to Developer as part of a DPRP Forgivable Loan between the date that is four (4) years prior to the Sale and the date that is five (5) years prior to the Sale.

In addition, if such Sale involves only a portion of the Project Parcel, all DPRP Loans and AHS Loan outstanding with respect to the remainder of the Project Parcel may, in DIA’s discretion, become immediately due and payable and all amortization will cease on any outstanding DPRP Loans.

(d) In the event the Developer or any lessee, transferee or assignee of the Developer uses the Project, Building or Improvements for any use not contemplated by this Agreement or the DPRP Guidelines at any time on or before the fifth (5th) anniversary of the last date of any disbursement of funds to the Developer, such use has not been approved by the DIA Board, and such use continues for thirty (30) days after written notice from DIA to Developer of such violation, the full amount of the funds actually disbursed to the Developer, together with all accrued but unpaid interest thereon, shall immediately become due and payable to the DIA

by the Developer. However, if any unapproved use was not authorized or permitted by Developer or its agents and cannot reasonably be cured within the initial thirty (30) days, Developer's time to cure the default shall be extended during such time that Developer is diligently pursuing such cure, so long as Developer has commenced and is diligently proceeding to cure unapproved use within the initial thirty (30) day period;

- (e) The maximum combined repayment due under this Section 10.2 shall not exceed the total amount of the Disbursed Funds actually paid to the Developer under this Agreement. The Developer's repayment obligation under this Section 10.2 shall survive the expiration or termination of this Agreement.

10.3 Performance Schedule Default.

Notwithstanding anything in this Agreement to the contrary, in the event that the Developer fails to Commence and Substantially Complete the Project in accordance with the Performance Schedule, the Developer shall be deemed to have forfeited and waived its right to, and the DIA shall not be obligated to pay, any further amounts under this Agreement or any DPRP Loan or the AHS Loan.

Article 11. GENERAL PROVISIONS

11.1 Non-liability of DIA Officials.

No member, official or employee of the DIA shall be personally liable to the Developer or to any person with whom the Developer shall have entered into any contract, or to any other person, in the event of any default or breach by the DIA, or for any amount which may become due to the Developer or any other Person under the terms of this Agreement.

11.2 Force Majeure.

No party to this Agreement shall be deemed in default hereunder where such a default is based on a delay in performance as a result of war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, casualty, acts of God, acts of public enemy, epidemic, quarantine restrictions, freight embargo, shortage of labor or materials, interruption of utilities service, lack of transportation, severe weather and other acts or failures beyond the control or without the control of any party (each, a "Force Majeure Event"); provided, however, that the extension of time granted for any delay caused by any of the foregoing shall not exceed the actual period of such delay and shall be proximately caused by such Force Majeure Event, and in no event shall any of the foregoing excuse any financial liability of a party.

In the event of any delay or nonperformance resulting from such causes, the party affected shall notify the other in writing within fifteen (15) calendar days of the Force Majeure Event. Such written notice shall describe the nature, cause, date of commencement, and the anticipated impact of such delay or nonperformance, shall indicate the extent, if any, to which it is anticipated that any delivery or completion dates will be thereby affected, and shall describe the actions reasonably taken to minimize the impact thereof.

11.3 Offset.

DIA shall have the right to offset any amount owed by Developer under or in connection with this Agreement against any payments owed by DIA under this Agreement. Such offsets shall be in addition to any other rights or remedies available under this Agreement and applicable law.

11.4 Notices.

All notices to be given hereunder shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by an air courier service utilizing return receipts to the parties at the following addresses (or to such other or further addresses as the parties may designate by like notice similarly sent) and such notices shall be deemed given and received for all purposes under this Agreement three (3) business days after the date same are deposited in the United States mail if sent by registered or certified mail, or the date actually received if sent by personal delivery or air courier service, except that notice of a change in address shall be effective only upon receipt.

- (a) the City and DIA:

Downtown Investment Authority
117 West Duval Street, Suite 310
Jacksonville, Florida 32202
Attn: Chief Executive Officer

With a copy to:

City of Jacksonville
Office of the General Counsel
City Hall-St. James Building
117 West Duval Street, Suite 480
Jacksonville, Florida 32202

(b) The Developer:

Lofts at Cathedral, Ltd.
c/o Vestcor, Inc.
3030 Hartley Road, Suite 310
Jacksonville, Florida 32257
Attention: Jason O. Floyd

With a copy to:

Bilzin Sumberg Baena Price & Axelrod LLP
1450 Brickell Ave, 23rd Floor
Miami, Florida 33131
Attention: Terry M. Lovell, Esq.

11.5 Time.

Time is of the essence in the performance by any party of its obligations hereunder.

11.6 Entire Agreement.

This Agreement constitutes the entire understanding and agreement between the parties and supersedes all prior negotiations and agreements between them with respect to all or any of the matters contained herein.

11.7 Amendment.

This Agreement may be amended by the parties hereto only upon the execution of a written amendment or modification signed by the parties. Notwithstanding the foregoing, the CEO of the DIA is authorized on behalf of the DIA, and the Mayor, or his designee, and the Corporation Secretary on behalf of the City, to approve, in their sole discretion, any “technical” changes to this Agreement. Such “technical” changes include without limitation non-material modifications to legal descriptions and surveys, ingress and egress, easements and rights of way, and design standards, as long as such modifications do not involve any increased financial obligation or liability to the DIA.

11.8 Waivers.

Except as otherwise provided herein, all waivers, amendments or modifications of this Agreement must be in writing and signed by all parties. Any failures or delays by any party in insisting upon strict performance of the provisions hereof or asserting any of its rights and remedies as to any default shall not constitute a waiver of any other default or of any such rights or remedies. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties hereto are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the

same or different times, of any other rights or remedies for the same default or any other default by any other party.

11.9 Indemnification.

The Developer shall indemnify, hold harmless and defend the DIA and City from and against, without limitation, any loss, claim, suit, action, damage, injury, liability, fine, penalty, cost, and expense of whatsoever kind or nature (including without limitation court, investigation and defense costs and reasonable expert and attorneys' fees and costs) related to any suits and actions of any kind brought against the DIA or City or other damages or losses incurred or sustained, or claimed to have been incurred or sustained, by any person or persons arising out of or in connection with: (i) any breach of any representation or warranty of the Developer contained or provided in connection with this Agreement; (ii) any breach or violation of any covenant or other obligation or duty of the Developer under this Agreement or under applicable law; (iii) any negligent act, error or omission, recklessness or intentionally wrongful conduct on the part of the Developer or those under its control that causes injury (whether mental or corporeal) to persons (including death) or damage to property, whether arising out of or incidental to the Developer's performance under this Agreement or relating to the Project, except to the extent caused by the sole negligence of the DIA or City. Nothing contained in this paragraph shall be construed as a waiver, expansion or alteration of the City's or DIA's sovereign immunity beyond the limitations stated in Section 768.28, Florida Statutes.

This indemnification shall survive the expiration or termination (for any reason) of this Agreement and remain in full force and effect. The scope and terms of the indemnity obligations herein described are separate and apart from, and shall not be limited by any insurance provided pursuant to this Agreement or otherwise. The term "City" or "DIA" as used in this Section 11.9 shall include all of their respective members, officers, officials, employees and agents.

11.10 Severability.

The invalidity, illegality or unenforceability of any one or more of the provisions of this Agreement shall not affect any other provisions of this Agreement, but this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

11.11 Compliance with State and Other Laws.

In the performance of this Agreement, the Developer must comply with any and all applicable federal, state and local laws, rules and regulations, as the same exist and may be amended from time to time. Such laws, rules and regulations include, but are not limited to, Chapter 119, Florida Statutes (the Public Records Act) and Section 286.011, Florida Statutes (the Florida Sunshine Law). If any of the obligations of this Agreement are to be performed by a subcontractor, the provisions of this Section shall be incorporated into and become a part of the subcontract.

11.12 Non-Discrimination Provisions.

In conformity with the requirements of Section 126.404, *Ordinance Code*, the Developer represents that it has adopted and will maintain a policy of non-discrimination against employees

or applicants for employment on account of race, religion, sex, color, national origin, age or handicap, in all areas of employment relations, throughout the term of this Agreement. The Developer agrees that, on written request, it will permit reasonable access to its records of employment, employment advertisement, application forms and other pertinent data and records, by the Executive Director of the Human Rights Commission, or successor agency or commission, for the purpose of investigation to ascertain compliance with the nondiscrimination provisions of Chapter 126, Part 4 of the *Ordinance Code*, provided however, that the Developer shall not be required to produce for inspection records covering periods of time more than one (1) year prior to the day and year first above written. The Developer agrees that, if any of its obligations to be provided pursuant to this Agreement are to be performed by a subcontractor, the provisions of this Section 11.12 shall be incorporated into and become a part of the subcontract.

11.13 Contingent Fees Prohibited.

In conformity with Section 126.306, *Ordinance Code*, the Developer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Developer, to solicit or secure this Agreement, and that it has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the Developer, any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For the breach or violation of these provisions, the DIA shall have the right to terminate this Agreement without liability and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.

11.14 Ethics.

The Developer represents that it has reviewed the provisions of the Jacksonville Ethics Code, as codified in Chapter 602, *Ordinance Code*, and the provisions of the Jacksonville Purchasing Code, as codified in Chapter 126, *Ordinance Code*.

11.15 Conflict of Interest.

The parties will follow the provisions of Section 126.110, *Ordinance Code*, with respect to required disclosures by public officials who have or acquire a financial interest in a bid or contract with the DIA, to the extent the parties are aware of the same.

11.16 Public Entity Crimes Notice.

In conformity with the requirements of Section 126.104, *Ordinance Code*, and Section 287.133, Florida Statutes, the Parties agree as follows:

The parties are aware and understand that a person or affiliate who has been placed on the State of Florida Convicted Vendor List, following a conviction for a public entity crime, may not submit a bid on a contract to provide any goods or services to a public entity; may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any

public entity; and may not transact business with any public entity, in excess of Thirty-Five Thousand Dollars (\$35,000.00), for a period of thirty-six (36) months from the date of being placed on the Convicted Vendor List.

11.17 Survival.

Any obligations and duties that by their nature extend beyond the expiration or termination of this Agreement shall survive the expiration or termination of this Agreement and remain in effect. Without limiting the foregoing, all obligations for the payment of fees or other sums accruing up to the expiration or termination of this Agreement and all provisions relating to the DIA's right to conduct an audit shall survive the expiration or termination of this Agreement.

11.18 Incorporation by Reference.

All exhibits and other attachments to this Agreement that are referenced in this Agreement are by this reference made a part hereof and are incorporated herein.

11.19 Order of Precedence.

In the event of any conflict between or among the provisions of this Agreement and those of any exhibit attached hereto or of any amendment, the priority, in decreasing order of precedence shall be: 1) any fully executed amendment; 2) provisions in this Agreement; and 3) exhibits to this Agreement.

11.20 Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument. Delivery of a counterpart by electronic means shall be valid for all purposes.

11.21 Independent Contractor.

In the performance of this Agreement, the Developer will be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint venturer or association of the DIA or the City. The Developer and its employees or agents shall be solely responsible for the means, method, technique, sequences and procedures utilized by the Developer in the performance of this Agreement.

11.22 Retention of Records/Audit.

The Developer agrees:

- (a) To establish and maintain books, records and documents (including electronic storage media) sufficient to reflect all income and expenditures of all funds provided by the DIA under this Agreement;
- (b) To retain all records, financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this Agreement for a period of six (6) years after completion of the date of final payment by the DIA under this Agreement, including auditable records

pertaining to jobs filled by third-party employers. If an audit has been initiated and audit findings have not been resolved at the end of such six (6) year period, the records shall be retained until resolution of the audit findings or any litigation which may be based on the terms of this Agreement, at no additional cost to the DIA. Any audit of the Developer pursuant to the terms of this Section 11.22 shall not be performed by an auditing firm that is paid on a contingency basis;

- (c) Upon demand, at no additional cost to the DIA, to facilitate the duplication and transfer of any records or documents pertinent to this Agreement during the required retention period;
- (d) To assure that these records pertinent to this Agreement including any of the Developer's contracts and related records and documents, regardless of the form in which kept shall be subject at all reasonable times to inspection, review, copying, or audit by personnel duly authorized by the DIA, including but not limited to the City Council auditors;
- (e) To ensure that all related party transactions are disclosed to the DIA;
- (f) To include the aforementioned audit, inspections, investigations and record keeping requirements in all subcontracts and assignments of this Agreement;
- (g) To permit persons duly authorized by the DIA, including but not limited to the City Council auditors, to inspect and copy any records, papers, documents, facilities, goods and services of the Developer which are relevant to this Agreement, and to interview any employees and subcontractor employees of the Developer to assure the DIA of the satisfactory performance of the terms and conditions of this Agreement. Following such review, the DIA will deliver to the Developer a written report of its findings and request for development by the Developer of a corrective action plan where appropriate. The Developer hereby agrees to timely correct all deficiencies identified in the corrective action plan;
- (h) If the result of any audit by the City or DIA establishes that the amount of its DPRP Development Cost has been overstated by five percent (5%) or more, the entire expense of the audit shall be borne by the Developer;
- (i) Additional monies due as a result of any audit or annual reconciliation shall be paid within thirty (30) days of date of the DIA's invoice; and
- (j) Should any audit reveal that the Developer has overstated the amount of its DPRP Development Cost, and the Developer does not make restitution within thirty (30) days from the date of receipt of written notice from the DIA, then, in addition to any other remedies available to the DIA, the DIA may terminate this Agreement, solely at its option, by written notice to the Developer.

11.23 Non-merger.

None of the terms, covenants, agreements or conditions set forth in this Agreement shall be deemed to be merged with any deed conveying title to the Project Parcel.

11.24 Exemption of DIA.

Neither this Agreement nor the obligations imposed upon the DIA hereunder shall be or constitute an indebtedness of the DIA within the meaning of any constitutional, statutory or charter provisions requiring the DIA to levy ad valorem taxes nor a lien upon any properties of the DIA. Payment or disbursement by the DIA of any loan or grant amount hereunder is subject to the availability of lawfully appropriated funds. If funds are not available pursuant to a lawful appropriation thereof by the City Council and/or the DIA Board as applicable, this Agreement shall be void and the DIA shall have no further obligations hereunder.

11.25 Parties to Agreement; Successors and Assigns.

This is an agreement solely between the DIA and the Developer. The execution and delivery hereof shall not be deemed to confer any rights or privileges on any person not a party hereto. This Agreement shall be binding upon the Developer and the Developer's permitted successors and assigns, and shall inure to the benefit of the DIA and its successors and assigns. However, Developer shall not assign, transfer or encumber its rights or obligations hereunder or under any document executed in connection herewith including, without limitation, any and all Project Documents, without the prior written consent of the DIA, which consent may be withheld in the sole discretion of the DIA. Notwithstanding the foregoing, in the event any proposed assignee has both development experience, and maintains a net worth equivalent to or greater than that of Developer, consent to assignment shall not be unreasonably withheld.

11.26 Venue; Applicable Law.

The rights, obligations and remedies of the parties specified under this Agreement shall be interpreted and governed in all respects by the laws of the State of Florida. All legal actions arising out of or connected with this Agreement must be instituted in the Circuit Court of Duval County, Florida, or in the Federal District Court for the Middle District of Florida, Jacksonville Division. The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement. Each party shall be responsible for the payment of its own attorneys' fees and costs incurred in connection with the enforcement of the terms of this Agreement.

11.27 Civil Rights.

The Developer agrees to comply with all of the terms and requirements of the Civil Rights Act of 1964, as amended, and the Civil Rights Act of 1968, as amended, and the antidiscrimination provisions of Chapter 126, Part 4, of the *Ordinance Code*, and further agrees that in its operation under this Agreement it will not discriminate against anyone on the basis of race, color, age, disability, sex or national origin.

11.28 Further Assurances.

Developer will, on request of the DIA,

- (a) promptly correct any defect, error or omission herein or in any document executed in connection herewith or any other Project Document;
- (b) execute, acknowledge, deliver, procure, record or file such further instruments and do such further acts deemed necessary by the DIA to carry out the purposes of the Project Documents; and
- (c) provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts reasonably deemed necessary, desirable or proper by the DIA to carry out the purposes of the Project Documents and this Agreement.

11.29 Construction.

All parties acknowledge that they have had meaningful input into the terms and conditions contained in this Agreement. Developer further acknowledges that it has had ample time to review this Agreement and related documents with counsel of its choice. Any doubtful or ambiguous provisions contained herein shall not be construed against the party who drafted the Agreement. Captions and headings in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

11.30 Further Authorizations.

The parties acknowledge and agree that the CEO is hereby authorized to execute any and all other contracts and documents and otherwise take all necessary action in connection with this Agreement and the Resolution.

11.31 Estoppel Certificate.

On twenty (20) days written request from the other party, either party shall execute and deliver to the other party an estoppel letter stating that this Agreement is: (i) unmodified and in full force and effect, or in full force and effect as modified, and stating the modification; (ii) the amount of DPRP Loans actually paid to Developer and the remaining portion of DPRP Loans for which Developer remains eligible; and (iii) that there are not, to that party's actual knowledge, any uncured defaults, or events which with the passage of time would become a default, on the part of the other party, or specifying existing defaults.

11.32 Termination.

Notwithstanding anything contained to the contrary in this Agreement, following any termination of this Agreement by either party hereto pursuant to any right to terminate this Agreement contemplated hereunder, neither party shall owe any further obligation to the other party under this Agreement, except as specifically referenced herein.

IN WITNESS WHEREOF, this Agreement is executed the day and year above written.

DOWNTOWN INVESTMENT AUTHORITY

By: _____

Name Printed: Lori N. Boyer

Its: Chief Executive Officer

WITNESS:

LOFTS AT CATHEDRAL, LTD., a Florida limited partnership

Print Name: _____

By: Lofts at Cathedral GP, LLC, a Florida limited liability company, its general partner

Print Name: _____

By: Vestcor, Inc., a Florida corporation, its manager

By: _____

Name: Jason O. Floyd

Its: Vice President

Form Approved:

Office of the General Counsel

GC-#1546664-v4-Lofts_at_Cathedral_(Vestcor)_resave_of_GC-#1545617-v5-Vestcor_-_Lofts_at_Cathedral_-_DPRP_and_Affordable_Housing_Loan.DOC

Encumbrance and funding information for internal DIA use:

Account..... _____

Amount.....\$ _____

In accordance with Section 24.103(e), of the *Ordinance Code* of the City of Jacksonville, I do hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing agreement; *provided however*, this certification is not nor shall it be interpreted as an encumbrance of funding under this Contract. Actual encumbrance[s] shall be made by subsequent check request[s], as specified in said Contract.

Director of Finance

City Contract # _____

Contract Encumbrance Data Sheet follows immediately.

LIST OF EXHIBITS

- Exhibit A Project Parcel
- Exhibit B Improvements
- Exhibit C Disbursement Request Form
- Exhibit D JSEB Reporting Form

Exhibit A
Project Parcel

That certain parcel of real property located at 325 E. Duval Street, Jacksonville, Florida 32202, having R.E. # 073617-1000 with the legal description 38-2S-26E .89 JACKSONVILLE HARTS MAP LOTS 4,8, PT OF LOTS 3,7 RECD O/R 18927-1909 BLK 28 and R.E. # 073617-0020 with the legal description 38-2S-26E .63 JACKSONVILLE HARTS MAP LOTS 2,6, PT LOTS 3,7 RECD O/R 19122-1778 BLK 28.

Exhibit B Improvements

Rehabilitation of the approximately 46,408 square foot historic building to provide 28 housing units and will include construction costs as detailed in the budget below.

Lofts at Cathedral Renovation				
Scope	Cost	Desc	%	
Shoring	\$ 15,000	Int Rehab	30%	\$ 4,500
Demo	\$ 15,000	N/A	0%	\$ -
Helical Piles	\$ 15,000	Int Rehab	30%	\$ 4,500
Concrete Repairs	\$ 25,000	Int Rehab	30%	\$ 7,500
Concrete Cutting/Coring	\$ 25,000	Int Rehab	30%	\$ 7,500
Concrete, Masonry and Brick	\$ 248,000	Exterior	75%	\$ 186,000
Floor Prep	\$ 10,000	Int Rehab	30%	\$ 3,000
Lightweight Concrete	\$ 120,000	Int Rehab	30%	\$ 36,000
Steel	\$ 200,000	Int Rehab	30%	\$ 60,000
Basement covers	\$ 25,000	Exterior	75%	\$ 18,750
Carpentry Material	\$ 275,000	Int Rehab	30%	\$ 82,500
Carpentry Labor	\$ 225,000	Int Rehab	30%	\$ 67,500
Millwork and Tops	\$ 125,000	N/A	0%	\$ -
TPO Roof	\$ 100,000	Exterior	75%	\$ 75,000
Asphalt Roof	\$ 50,000	Exterior	75%	\$ 37,500
Roof hatch	\$ 5,000	N/A	0%	\$ -
Sealants and Waterproofing	\$ 50,000	Exterior	75%	\$ 37,500
Trim, Doors, (BMC Package)	\$ 242,000	Int Rehab	30%	\$ 72,600
Common Area Trim work	\$ 20,000	Int Rehab	30%	\$ 6,000
Storefronts	\$ 38,500	Exterior	75%	\$ 28,875
Window Replace and Repair	\$ 444,000	Exterior	75%	\$ 333,000
Shutters	\$ 10,000	Exterior	75%	\$ 7,500
Drywall	\$ 420,000	Int Rehab	30%	\$ 126,000
Insulation	\$ 140,000	Int Rehab	30%	\$ 42,000
Flooring	\$ 75,000	Int Rehab	30%	\$ 22,500
Painting	\$ 140,000	Int Rehab	30%	\$ 42,000
Access Panels	\$ 5,000	N/A	0%	\$ -
Mailboxes	\$ 5,000	N/A	0%	\$ -
Trash Chute	\$ 12,400	N/A	0%	\$ -
Attic Stairs	\$ 3,000	Int Rehab	30%	\$ 900
Appliances	\$ 70,000	N/A	0%	\$ -
Window Blinds	\$ 8,000	N/A	0%	\$ -
Building Specialties	\$ 10,000	N/A	0%	\$ -
Plumbing	\$ 148,800	Int Rehab	30%	\$ 44,640
Plumbing	\$ 347,200	Code Comp	75%	\$ 260,400
Roof Drains Replacement	\$ 36,312	Exterior	75%	\$ 27,234
Fire Protection	\$ 113,250	Code Comp	75%	\$ 84,938
Fire Pump	Not Needed			
HVAC	\$ 417,100	Code Comp	75%	\$ 312,825
Electrical and Fire Alarm	\$ 743,000	Code Comp	75%	\$ 557,250
General Conditions	\$ 125,000	GC OVH	20%	\$ 25,000
HARD COST TOTAL				
P&P Bond	\$ 49,365.00	N/A	0%	\$ -
G.L. Insurance	\$ 39,292.00	N/A	0%	\$ -
Subtotal				
Overhead	\$103,804.38	N/A	0%	\$ -
Fee	\$155,706.57	N/A	0%	\$ -
TOTAL	\$ 5,449,730			\$ 2,621,412

EXHIBIT C

REQUEST FOR LOAN DISBURSEMENT FORM

Developer Name: _____ Phone: _____
 Street Address: _____ Date Submitted: _____
 City, State and Zip: _____ Tax ID #: _____
 Historic Building Name: _____
 Historic Bldg. Address: _____

DEVELOPER PAYMENT REQUEST

A	B	C	D	E	F	G
Construction Costs Funding Category	Funding Category Minimum	Actual Costs	Lesser of Columns B or C	% of FCM	Eligible %	Allowable Loan
Exterior Restoration & Rehabilitation					75%	
Interior Restoration					75%	
Interior Rehabilitation					30%	
General Requirements and Overhead					20%	
Code Compliance					75%	
Subtotal						
Deferred Principal Loan						
TOTAL						

Loan disbursements will be provided only after 100% completion of the improvements for the applicable project. Once such improvements are 100% complete, a final inspection by the Historic Preservation Section must be performed.

Developer:

I hereby request an inspection to receive a final loan disbursement in the amount of _____

I certify that I have satisfactorily completed the necessary work to justify this request and that all bills incurred for labor used and materials furnished in making said repairs and improvements have been paid in full to this date.

Attached is a description of the work completed, the amount of payment requested by work item and such invoices, receipts, cancelled checks, (or evidence of payment has cleared Developer's banking account), and other documents required by the DIA evidencing that costs and expenses were actually incurred and paid for by the Developer and were expended on and pertain to the work.

DIA USE ONLY	_____ Developer's Signature
Approvals	
Director of Downtown Development	_____ Date: _____
Contract Compliance Manager	_____ Date: _____

