

Return recorded document to:
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GREENBERG & SHAW, LLP
Attn: Stuart R. Halpern
14 E. State Street
Savannah, GA 31401

STATE OF GEORGIA)
)
COUNTY OF CHATHAM)

DEVELOPMENT AGREEMENT

This **DEVELOPMENT AGREEMENT** (this "**Development Agreement**"), dated the _____ day of April, 2024, is made by and between **THE MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH**, a municipal corporation organized under the laws of the State of Georgia (the "**City**"), and **P3JVG, LLC**, a Georgia limited liability company ("**Developer**"). Each of the City and Developer may be referred to hereinafter as a "**Party**", and collectively as the "**Parties**".

WITNESSETH:

WHEREAS, the City is the owner of that certain parcel of real property located in Savannah, Chatham County, Georgia, bearing property identification number 2-0108-01-001 and commonly known as 4801 Meding Street, Savannah, Georgia 31405, being the same property acquired by the City via: (i) that certain limited warranty deed dated September 1, 2016 and recorded in Deed Book 890, Page 618 in the Office of the Clerk of the Superior Court of Chatham County, Georgia, and (ii) that certain quitclaim deed dated September 1, 2016 and recorded in Deed Book 890, Page 620 in the Office of the Clerk of the Superior Court of Chatham County, Georgia (the "**Property**"). The Property is more specifically set forth in a legal description attached hereto as **Exhibit A** and incorporated herein by reference.

WHEREAS, Developer, as purchaser, has contracted to purchase the Property from the City, as seller, in five (5) phases as provided for in that certain Purchase and Sale Agreement dated April 20, 2023, with an Effective Date of May 1, 2023 (the "**PSA**"). Defined terms not defined herein shall have the meanings ascribed to them in the PSA.

WHEREAS, the Parties intend the Property to be developed as a planned mixed-use development (the "**Project**") with certain uses proposed by Developer which include: up to 400 residential dwellings, 80,000 square feet of film and television production facilities, 10,000 square

feet of creative exchange buildings, a 75,000 square foot indoor youth sports facility, four outdoor youth sports fields and two basketball courts, a 2.4-acre centrally located park land, 20.5 acres of nature preserves, and associated roads, stormwater facilities and more; all as depicted on the final Master Plan attached hereto as **Exhibit B** and incorporated herein by reference (the "**Master Plan**"). It is the intention of the Parties that the Master Plan attached hereto is the same Master Plan attached as Exhibit B to the PSA. In the event the final Master Plan is not approved by MPC (and City Council, if necessary) and has not been added to the PSA as **Exhibit B** at the time of execution of this Development Agreement, then the Parties agree to add the final Master Plan as **Exhibit B** hereto contemporaneously when the final Master Plan is added as Exhibit B to the PSA as contemplated by Section 1.5 of the PSA.

WHEREAS, the PSA requires the Parties to enter into a development agreement governing the future uses, densities, planned occupancy, development, construction, financing, ownership, cost participations, restrictions on development, restrictions on affordability and rent, agreements regarding public access to portions of the Property, criteria for selecting an NFP Partner (as defined herein) and reversionary characteristics of the Project in favor of the City as security for the performance of Developer.

WHEREAS, the City believes that Developer's development of the Project on the terms and conditions set forth herein is in the best interest of the City.

WHEREAS, the Parties wish to enter into this Development Agreement in connection with the development of the Project.

NOW, THEREFORE, in consideration of the foregoing, and of the mutual covenants and agreements hereinafter made, the Parties do agree as follows:

- 1) **Current Condition of the Property**. The City purchased the Property on September 1, 2016. The Property is the former "Fairgrounds" site and is currently developed with thirteen buildings and five (5) ticket booths (the "**Current Improvements**"). These buildings are old and suffer from significant functional obsolescence and physical depreciation. The Current Improvements range in size and condition and include: (i) a large Quonset structure (former airplane hangar), (ii) a livestock boarding and display facility, (iii) administration and meeting building, (iv) storage and utility buildings, (v) ticket booths, (vi) restroom facilities, and (vii) fencing, paving and other miscellaneous improvements. The buildings on the Property are situated in the southeastern portion of the Property near the public right of way known as Meding Street. The vast remainder of the Property is mostly cleared and grassed, excepting wetlands and adjoining wooded areas, which are located along the western portion of the Property (adjacent to railroad tracks). It is contemplated by the Parties that the Current Improvements on the Property will be demolished or substantially renovated and the site will be redeveloped in accordance with the proposal submitted by Developer, the details of which are provided for in this Development Agreement.
- 2) **Phases**. In accordance with the PSA, the Purchaser shall purchase the Property in five (5) separate phases (each a "**Phase**" and, collectively, the "**Phases**"). The portions of the Property comprising each of the five (5) Phases (as further defined by the Boundary Survey to be

prepared for each such Phase (as set forth below), the "**Phase 1 Property**", the "**Phase 2 Property**", the "**Phase 3 Property**", the "**Phase 4 Property**" and the "**Phase 5 Property**", respectively) are depicted in the Master Plan. Prior to each Phase Closing between the City and Developer, as contemplated and agreed to in the PSA, the City will create and record in the real estate records of Chatham County, Georgia a boundary survey containing the boundaries and legal description for each Phase in accordance with the Master Plan (each a "**Boundary Survey**"), in order to more particularly define the location, dimensions, configuration and legal description of such Phase and effect the subdivision of the Property to legally create such Phase.

- 3) **Development of the Property**. The Property shall be developed in accordance with all Legal Requirements and this Development Agreement. "**Legal Requirements**", as used in this Development Agreement, shall mean: (a) any and all laws, codes, ordinances, orders, rules and regulations of any governmental authority affecting the operation of the Property or any part thereof, and (b) any and all covenants, restrictions, conditions, easements and other agreements of record affecting the Property, as amended from time to time. Developer shall be responsible for submitting proposed site development, engineering, and building plans and seeking all requisite development permits necessary for the lawful development of the Property, including, but not necessarily limited to: (i) site plan approvals; (ii) plat approvals; (iii) grading permits; (iv) building permits; and (v) certificates of occupancy. The failure of this Development Agreement to address a particular development permit does not relieve Developer of the necessity of complying with this Development Agreement, the City's ordinances, and/or any other Legal Requirements, as may be applicable, regarding development permits.
- 4) **Development Schedule**. The Property shall be developed in accordance with the following development schedule (the "**Development Schedule**"); provided, that such Development Schedule may be amended by the written agreement of the Parties:

Development of the Property is expected to occur over a Sixty-Six (66) month period following Developer's purchase of the Phase 1 Property in accordance with the PSA.

- (a) **Phase 1**: Development to occur and be completed within twelve (12) months after the Purchase by Developer of the Phase 1 Property.
- (b) **Phase 2**: Development to occur and be completed within twelve (12) months after the Purchase by Developer of the Phase 2 Property.
- (c) **Phase 3**: Development to occur and be completed within twelve (12) months after the Purchase by Developer of the Phase 3 Property.
- (d) **Phase 4**: Development to occur and be completed within twelve (12) months after the Purchase by Developer of the Phase 4 Property.
- (e) **Phase 5**: Development to occur and be completed within eighteen (18) months after the Purchase by Developer of the Phase 5 Property.

5) **Size and Scope of Development for Each Phase.** Developer agrees to develop the Property in Phases, with the size and scope of the development in each such Phase as follows (other than in the event of an approved Market Study Change Request, as set forth in Section 7 of the PSA):

(a) Development in **Phase 1** shall include:

- Single family homes (for sale): Containing approximately 30 units.
- Attached townhomes (for sale or rent): Containing approximately 20 units.
- Construct and develop all associated on-site infrastructure to include access roads with curb and gutter, water/sewer utilities, grading and stormwater improvements and facilities, sidewalks and related infrastructure. All such infrastructure shall be dedicated to the City upon completion (and meet all requisite development standards of the City codified by ordinance, all Legal Requirements, all requirements as provided for in this Agreement, and the City's approval of such dedication, not to be unreasonably withheld, conditioned or delayed).

(b) Development in **Phase 2** shall include:

- LIHTC senior housing apartments (for rent): Containing a minimum of 70 units.
- Central Park. An approximately two point four (2.4) acre park site with grass, trees, benches, walking paths, picnic shelters and a small playground.
- Construct and develop all associated on-site infrastructure to include access roads with curb and gutter, water/sewer utilities, grading and stormwater improvements and facilities, sidewalks and related infrastructure. All such infrastructure shall be dedicated to the City upon completion (and meet all requisite development standards of the City codified by ordinance, all Legal Requirements, all requirements as provided for in this Agreement, and the City's approval of such dedication, not to be unreasonably withheld, conditioned or delayed).

(c) Development in **Phase 3** shall include:

- Sound/film studio buildings containing (4) four sound stages at a minimum of 20,000 commercial sound/film studio square feet each, totaling 80,000 commercial sound/film studio square feet.
- Two sports/recreation fields and two basketball courts in accordance with the Master Plan.

- A creative innovation workforce center containing a minimum of 10,000 square feet.
- Construct and develop all associated on-site infrastructure to include access roads with curb and gutter, water/sewer utilities, grading and stormwater improvements and facilities, sidewalks and related infrastructure. All such infrastructure shall be dedicated to the City upon completion (and meet all requisite development standards of the City codified by ordinance, all Legal Requirements, all requirements as provided for in this Agreement, and the City's approval of such dedication, not to be unreasonably withheld, conditioned or delayed).

(d) Development in **Phase 4** shall include:

- Attached townhomes (for sale or rent): Containing approximately 60 units.
- Two sports/recreation fields in accordance with the Master Plan.
- Nature preserve to be dedicated to the City (meeting all standards of the City codified by ordinance, all Legal Requirement, all requirements as provided for in this Agreement, and the City's approval of such dedication, not to be unreasonably withheld, conditioned or delayed).
- Commercial retail facility to provide services to residents, including rental suites for businesses which provide the following types of good and services: convenience store / food market, barbershop / hair stylist, restaurant, cleaners/laundry, doctor/dentist office, package pick-up, shipping and delivery service, and pharmacy.
- Construct and develop all associated on-site infrastructure to include access roads with curb and gutter, water/sewer utilities, grading and stormwater improvements and facilities, sidewalks and related infrastructure. All such infrastructure shall be dedicated to the City upon completion (and meet all requisite development standards of the City codified by ordinance, all Legal Requirements, all requirements as provided for in this Agreement, and the City's approval of such dedication, not to be unreasonably withheld, conditioned or delayed).

(e) Development in **Phase 5** shall include:

- Indoor recreation building(s) containing a minimum of 75,000 square feet.
- Multi-story rental apartment buildings: Containing approximately 220 two- and three-bedroom units. No one-bedroom units.

- Construct and develop all associated on-site infrastructure to include access roads with curb and gutter, water/sewer utilities, grading and stormwater improvements and facilities, sidewalks and related infrastructure. All such infrastructure shall be dedicated to the City upon completion (and meet all requisite development standards of the City codified by ordinance, all Legal Requirements, all requirements as provided for in this Agreement, and the City's approval of such dedication, not to be unreasonably withheld, conditioned or delayed).
- (f) Development of the improvements described above (in all Phases) shall be in accordance with the Master Plan and all Legal Requirements. All development and improvements shall be subject to architectural approval of the City, as declarant, in the ECRs (as defined herein).
- (g) A downward revision to the minimum size or scope of the development originally intended for a given Phase, as reflected in the Master Plan and described above (the "**Minimum Size**"), may be subject to change in accordance with Section 7 of the PSA if a Market Study for a Phase of the Property is conducted. After going through the process described in Section 7 of the PSA, if Developer has the right to revise the Minimum Size or the Parties mutually agree to a revision of the Minimum Size, then an amendment and/or addendum shall be executed by both Parties to revise the Minimum Size for such Phase.
- 6) **Facilities.** Developer agrees that the roads and other necessary infrastructure shall be developed and in place on each Phase at the time improvements on such Phase are offered for sale, lease or use by the public. Subject to compliance with applicable Legal Requirements and with all provisions of this Agreement, the City hereby authorizes Developer to install the roads and other necessary infrastructure which Developer has undertaken to provide herein (collectively, the "**Infrastructure Improvements**").
- (a) **Roads.** All roads shall be constructed in accordance with the Master Plan and shall be constructed in accordance with City standards to be acceptable as a public road. Upon completion of the development of the roads within a given Phase in accordance with City standards to be acceptable as a public road, then the roads shall be dedicated and accepted by the City as municipal public roads.
- (b) **Potable Water.** Potable water will be supplied to the Property by the City on the same basis and in accordance with the same regulations and at the same rates as applied to other properties in the City. In particular, Developer acknowledges that the main waterline shall be accessible to the Property from the public right-of-way. Developer shall be responsible for constructing or causing to be constructed all necessary water service infrastructure within the Property to get the water from the main waterline onto the Property. Upon completion, such infrastructure, which must be constructed in accordance with all Legal Requirements, shall be dedicated to the City and maintained by the City. In the event any water service infrastructure within the Property is constructed in areas outside the roads dedicated to the City, Developer shall grant the

City such easement as reasonably requested by the City for access, maintenance, repair and/or replacement of such water service infrastructure.

- (c) **Sewage Treatment and Disposal.** Sewage treatment and disposal shall be provided by the City on the same basis and in accordance with the same regulations and at the same rates as applied to other properties in the City. In particular, Developer acknowledges that the main sewer line shall be accessible to the Property from the public right-of-way. Developer shall be responsible for constructing or causing to be constructed all necessary sewer service infrastructure within the Property to get sewage from the Property to the main sewer line. Upon completion, such infrastructure will be dedicated to and maintained by the City. In the event any sewer service infrastructure within the Property is constructed in areas outside the roads dedicated to the City, Developer shall grant the City such easement as reasonably requested by the City for access, maintenance, repair and/or replacement of such sewer service infrastructure.
 - (d) **Drainage System.** All stormwater runoff and drainage improvements within the Property will be designed in accordance with applicable state regulatory guidelines, including all Legal Requirements. All stormwater runoff and drainage system improvements will be constructed by Developer and maintained by Developer. The City will not be responsible for any construction or maintenance costs associated with the drainage system within the Property, unless the City affirmatively agrees to do so. Developer may offer and the City may consider, at the City's option, to accept any drainage systems separately from acceptance of any streets.
 - (e) **Utility Easements.** Utility Easements shall be governed by the ECRs (as defined herein). All utilities shall be installed underground unless the presence of wetlands, water or other environmental constraints make installing utilities underground physically or financially impracticable. Utility services, including telephone and electricity, will be supplied directly by the applicable utility companies. The City will not be responsible for the construction, maintenance or provision of any service regarding such utility services. However, the City shall provide such other City-wide municipal services to the Property on the same basis as such services are provided to other residents and businesses within the boundaries of the City.
- 7) **Covenants.** The Parties acknowledge and agree that upon the recording of this Development Agreement, the City, as declarant, will execute and record the Declaration of Easements, Covenants and Restrictions attached hereto as **Exhibit C** and incorporated herein by reference (the "**ECRs**"). The ECRs will run with the land and be binding on the Parties and their respective successors and assigns.
- 8) **Recording.** The recording of this Development Agreement and the ECRs in the real estate records of Chatham County, Georgia shall occur at the Phase 1 Closing prior to any conveyance by the City to Developer of the Phase 1 Property, and such conveyance shall be subject to this Development Agreement and the ECRs.

9) **City and Developer Cost-Sharing.**

(a) **City's Costs and Responsibilities.** Subject to available funding and approval of such funding by The Mayor and Aldermen of the City of Savannah, the City shall incur the cost and responsibility for:

- (i) Re-zoning the Property to allow the development of the Property pursuant to the Master Plan;
- (ii) The survey and subdivision of each Phase of the Property;
- (iii) The survey and subdivision of the Property to provide 70 feet of additional right-of-way along Meding Street;
- (iv) Establishing and recording Covenants and Restrictions, and Design Guidelines for the "Legacy Project" at 63rd Street (the "**Legacy Project**");
- (v) Designing and constructing (or reimbursing Developer for the same) the on-site master sewer pump station with capacity for 400 residential units and all other proposed uses for the Project (the "**Pump Station**");
- (vi) Designing and constructing approximately 6,000 linear feet of sewer force main;
- (vii) Designing and constructing (or reimbursing Developer for the same) the widening and improvement of Meding Street to include a landscaped median and roundabout entry into the Legacy Project at 63rd Street;
- (viii) Designing and constructing (or reimbursing Developer for the same) improvements to the segment of 63rd Street between Meding Street and Jefferson Street to include sidewalks, a bicycle lane and landscaping; and
- (ix) Designing and constructing a traffic signal at the intersection of 63rd Street and Montgomery Street when warranted.

(b) **Developer's Costs and Responsibilities.** Subject to available funding, Developer shall incur all of the cost and responsibility for:

- (i) The design and construction of all on-site infrastructure (except the Pump Station), including, without limitation:
 - (A) Streets, sidewalks and bicycle paths
 - (B) Water/sewer utility lines
 - (C) Storm gutters, drains, pipes and retention facilities

- (D) Grading, clearing, excavation, filling and associated site work
 - (ii) Sports fields, courts, parks and related amenities
 - (iii) Entry features, signage and wayfinding
 - (iv) All buildings as proposed in the Master Plan
- (c) Process for Establishing Cost-Sharing Allocations Prior to Phase Closings.
- (i) At least one hundred twenty (120) days prior to any Phase Closing, the City and Developer shall meet to review proposed Developer plans and associated engineering cost estimates.
 - (ii) City staff shall review plans and associated engineering cost estimates and concur or propose comments to revise the plans and cost estimates.
 - (iii) The City and Developer will seek to negotiate in good faith to finalize agreed upon cost allocations based upon the general framework of responsibilities outlined in Sections 9(a) and 9(b) above.
 - (iv) If the Parties reach agreement on plans, cost estimates and cost-sharing allocations within ninety (90) days prior to a proposed Phase Closing, then each party will seek requisite approvals and funding for those cost-sharing allocations and then close on the Phase and develop accordingly.
 - (v) If the Parties cannot reach agreement on plans, cost estimates and cost sharing allocations within ninety (90) days of the proposed Phase Closing, or if the governing body of the City does not approve the requisite funding, then the City shall have no obligation to proceed with any design, construction or related costs and Developer may proceed at its sole cost and risk or terminate this Development Agreement.
- (d) Proxy Work. As part of the cost-sharing allocation agreement process described in Section 9(c) above, Developer and the City may agree that Developer shall perform certain infrastructure work (for which the City would normally be responsible) on behalf of the City, with the City to reimburse Developer for the cost of such work ("**Proxy Work**"). The performance of and reimbursement of the costs associated with any Proxy Work are governed by the following terms and conditions:
- (i) Developer's performance of any Proxy Work shall be undertaken only at the request of the City.
 - (ii) All Proxy Work shall be undertaken by Developer only after (A) the City and Developer have agreed on the scope of the Proxy Work and the estimated costs of such Proxy Work that will be reimbursed by the City upon Developer's

completion of the Proxy Work; and (B) such agreement has been memorialized in a written agreement executed by the Parties that details the scope and estimated costs of such Proxy Work (a "**Proxy Work Agreement**").

- (iii) The City's obligation to make a reimbursement payment for Proxy Work (a "**Proxy Work Reimbursement**") shall be subject to the following conditions:
- (A) Developer shall be eligible for a Proxy Work Reimbursement only with respect to work actually completed by Developer in a good and workmanlike manner, and for materials and equipment actually incorporated into the Property in accordance with the Master Plan and this Development Agreement.
 - (B) To request a Proxy Work Reimbursement, Developer shall submit to the City a request for Proxy Work Reimbursement which specifies the amount of the costs incurred by Developer for which it seeks reimbursement (a "**Proxy Work Reimbursement Request**"). The Proxy Work Reimbursement Request shall consist of the City's approved payment request form which has been filled out and executed by Developer, together with all supporting documentation reasonably required by the City.
 - (C) The City shall not be obligated to make any Proxy Work Reimbursement unless Developer (I) has completed the work which is the basis for the applicable Proxy Work Reimbursement Request, and (II) has otherwise satisfied all conditions set forth herein relating to the applicable Proxy Work Reimbursement Request.
 - (D) Developer may elect to submit a Proxy Work Reimbursement Request for less than the total cost incurred by Developer for the infrastructure work it has performed on behalf of the City. In such event, Developer may "carry forward" any such costs incurred but not included in a Proxy Work Reimbursement Request (the "**Residual Incurred Costs**"), and include such Residual Incurred Costs on a future Proxy Work Reimbursement Request; provided, that if such Residual Incurred Costs are not included in a Proxy Work Reimbursement Request by the completion of the Project (i.e., Phase 5), Developer shall not be entitled to receive reimbursement from the City for any such Residual Incurred Costs, and the City shall be fully released from its obligation to pay such Residual Incurred Costs.
 - (E) The City shall make a Proxy Work Reimbursement within thirty (30) days following its receipt of an approved Proxy Work Reimbursement Request along with all supporting documentation required by this Development Agreement. All Proxy Work Reimbursement Requests shall be made no more frequently than one (1) time per calendar month unless otherwise agreed to by the City.

(e) Phase 1 Estimates and Cost-Sharing Allocations. Notwithstanding anything to the contrary, the Parties acknowledge and agree on the following cost estimates and cost-sharing allocations for Phase 1:

- (i) City: The City will pay for up to \$6 million in design and construction costs for the Pump Station, force-main and widening/improvements to Meding Street, contingent upon the award of a One Georgia grant in the amount of \$2.5 million and approval of its governing board to fund the additional \$3.5 million.
- (ii) Developer: Developer will pay for up to \$3 million in design and construction for all other on-site costs associated with Phase 1, to include roads, utilities, stormwater, grading, excavation, fill, and all other associated costs as previously stated in this Agreement, contingent upon its ability to secure requisite funding.
- (iii) If costs exceed these estimates and budgets, or if the Parties cannot secure the requisite capital/funding, then Developer shall have the option to proceed in the acquisition and development of Phase 1 and fund all associated costs, or to terminate this Development Agreement. If Developer elects not to proceed, or fails to close and/or adequately fund development costs and commence development within ninety (90) days of the Phase 1 Closing, the City shall have the right to terminate this Development Agreement and seek all remedies available at law and equity.

(A) If the City terminates this Agreement pursuant to the provision above, then the City shall refund any deposit associated with unpurchased Phases.

10) Developer Assignment.

- (a) In the event Developer assigns the rights to a given Phase to an Affiliate (as defined in the PSA) or to an NFP Partner (as defined in the PSA) in accordance with the terms of the PSA (a "**PSA Phase Assignee**"), then Developer may assign its rights and obligations under this Development Agreement for a given Phase to such PSA Phase Assignee; provided, however, and notwithstanding anything to the contrary in the PSA or this Development Agreement, Developer and such PSA Phase Assignee shall be jointly and severally liable to satisfy the obligations of Developer pertaining to such Phase under this Development Agreement and the PSA (which joint and several liability shall be expressly stipulated in the Assignment). Any assignment of this Development Agreement shall be executed by Developer, the PSA Phase Assignee and the City (to evidence consent) and recorded in the real estate records of Chatham County, Georgia, with a cross-reference to the recording of this Development Agreement.
- (b) **NFP Partner Selection Criteria**. The PSA contemplates a process for Developer to assign its rights under a given Phase to NFP Partners with City approval. NFP Partners consist of a not-for-profit entity unaffiliated with Purchaser, or a quasi-governmental entity unaffiliated with Purchaser. As part of the City's approval process to select

and/or approve an NFP Partner, the City shall consider the following NFP Partner Selection Criteria:

- (i) Prior experience of the NFP Partner in development of similar projects.
- (ii) The commitment and/or relationship of the NFP Partner with the City of Savannah.
- (iii) The financial strength, stability and/or dependability of the NFP Partner.
- (iv) Whether the NFP Partner has a well-established organizational structure and networks.
- (v) The City's determination of the level of financial risk that may emerge from engagement with the NFP Partner.
- (vi) The City's determination of the reputation and goodwill of the proposed NFP Partner.
- (vii) The contribution of resources that can be provided by the NFP Partner.
- (viii) The NFP Partner's alignment with the City on goals and values.
- (ix) The NFP Partner has a compatible organizational culture to work with the City.
- (x) The NFP Partner's knowledge of local business practices.
- (xi) The local and/or regional identity of the NFP Partner as it relates to the City.
- (xii) Prior dealings and relationships between the City and the NFP Partner.

The City reserves the right to weigh certain criteria as more important to the City than other criteria listed above in determining City approval.

11) **Reversion Rights.**

- (a) As used in this Section, "**Commencement of Construction**" shall be deemed to have occurred upon satisfaction of the earlier of the following conditions: (i) recording of a deed to secure debt securing a construction loan for the Phase, and (ii) entering into a general contractor agreement for the Phase and the commencement of work on the Phase Property by Developer's general contractor.
- (b) At each Phase Closing, Developer shall execute a quitclaim deed conveying such Phase Property to the City (a "**Reversion Deed**") and deliver the executed Reversion Deed to Escrow Agent (as defined the PSA). Escrow Agent shall hold the executed Reversion

Deed in escrow, and shall release the same from escrow only in accordance with the terms of this Section.

- (c) If Commencement of Construction has not occurred by the deadline for development for a given Phase as listed on the Development Schedule (the “**Phase Reversion Deadline**”), then Escrow Agent, upon receipt of written request from the City, will deliver the executed Reversion Deed for such Phase Property to the City, conveying ownership of the Phase Property back to the City. The City may thereafter record the Reversion Deed in the public records of Chatham County, Georgia to effect the conveyance of title to the Phase Property back to the City, and to provide public notice of such reversion. The City’s right described herein (with respect to any Phase) may be referred to herein as a “**Reversion Right**”.
 - (d) Developer shall pay or reimburse the City for all reasonable attorneys’ fees, court costs, transaction costs and other expenses incurred by the City in exercising its Reversion Rights and/or enforcing the covenants set forth herein.
 - (e) Upon the Commencement of Construction of a given Phase prior to the Phase Reversion Deadline for such Phase, the City’s Reversion Right as to such Phase shall become immediately null and void, and Escrow Agent shall promptly return the signed Reversion Deed to Developer for destruction. In such event, upon request by Developer, the City shall execute and deliver to Developer a certificate certifying that (i) Commencement of Construction of such Phase has occurred, and (ii) the City’s Reversion Right as to such Phase are null and void. Developer may record such certificate in the real estate records of Chatham County, Georgia in order to give notice of the nullification of the City’s Reversion Right for such Phase.
 - (f) Developer shall not encumber any Phase Property with any liens, leases, additional restrictions, easements, mortgages or other encumbrances unless Commencement of Construction has occurred for such Phase, or as otherwise agreed to in writing by the City. Any liens, leases, additional restrictions, easements, mortgages or other encumbrances placed on a Phase Property pursuant to the City’s written consent shall be subordinate to the City’s Reversion Right as to such Phase, so that any subsequent conveyance of the Phase Property back to the City via a recorded Reversion Deed would not be subject to any such encumbrances.
 - (g) Notwithstanding the foregoing, Developer may apply for mortgage financing, a loan commitment, construction contracts and other potential encumbrances that may result in future liens on a Phase Property that would become effective only after Commencement of Construction for such Phase has occurred.
- 12) **Affordability**. The Parties agree that at each Phase Closing, the deed conveying such Phase Property from the City to Developer shall include the following provisions:

- (a) The Property is conveyed subject to the following affordable rent restrictions on the for rent residential dwelling units (the "Lease Units") developed on the Property during the Term (as defined herein):
- (i) 37.5% of Lease Units shall be rented to tenants earning not more than 40% of the Area Median Income (the "AMI"), as determined and published annually by the U.S. Department of Housing and Urban Development ("HUD") for the Savannah Metropolitan Statistical Area;
 - (ii) 25% of Lease Units shall be rented to tenants earning not more than 60% of the AMI, as determined and published annually by the U.S. Department of Housing and Urban Development for the Savannah Metropolitan Statistical Area;
 - (iii) 37.5% of Lease Units shall be rented to tenants earning not more than 80% of the AMI, as determined and published annually by HUD for the Savannah Metropolitan Statistical Area; and
 - (iv) Student housing is prohibited except for valid exceptions outlined in 24 CFR §5.612.

The Parties acknowledge and agree the parties have chosen to use percentages for the restrictions above to ensure that 100% of the Lease Units are subject to restrictions for affordable housing.

- (b) The Property is conveyed subject to the following affordable sale restrictions on the for sale residential dwelling units (the "Sale Units") that are developed on the Property during the Term (as defined herein):
- (i) The newly constructed Sale Units must be sold to buyers with annual incomes at or below 80% of the Area Median Income (the "AMI") published by the U.S. Department of Housing and Urban Development ("HUD") or the City of Savannah Housing and Neighborhood Services Department, with verification provided to the Grantor prior to sale;
 - (ii) Grantee, and all successor homeowners of the property must provide evidence that the next successor home buyer meets the income requirements and Property is being sold at or below the Maximum Resale Price;
 - (iii) The Property shall be available for purchase at the Maximum Resale Price only to an Eligible Purchaser, whether individual or household, whose gross annual household income does not exceed eighty percent (80%) of AMI (adjusted for household size) for the Savannah/Chatham County Metropolitan Statistical Area as established from time to time by HUD and applicable at the time of sale/transfer;

- (iv) For purposes of this Deed Restriction, the “Maximum Resale Price” is determined to be the monthly housing costs (including principal, interest, taxes, insurance, and fees, if any) that does not exceed thirty percent (30%) of the gross income of an individual or household earning eighty percent (80%) of area median income (adjusted for household size); and
 - (v) To be considered an “Eligible Purchaser”, the individual or household must intend to occupy and thereafter must occupy the Property as his, her or their principal residence. Any use of the Property or any activity thereon which is inconsistent with the purpose of this Deed Restriction is expressly prohibited.
- (c) The covenants, conditions and restrictions hereinbefore set forth shall be binding on the Grantee, its heirs, successors, and assigns and shall run with and bind said Property for a term of fifteen (15) years from the date this limited warranty deed is recorded, after which time the covenants, conditions, and restrictions hereinbefore set forth shall be automatically extended for one additional successive period of fifteen (15) years (collectively, the “Term”). The covenants conditions, and restrictions hereinbefore set forth may not be altered or amended in whole or in part without the prior written approval and consent of Grantor and Grantee, evidenced by an amendment, executed by Grantor and Grantee and recorded in the real estate records of Chatham County, Georgia. Provided however, notwithstanding anything to the contrary herein, Grantor may unilaterally terminate all or part of the covenants, conditions, and restrictions hereinbefore set forth prior to the expiration of the Term, as evidenced by a termination of covenants, conditions and restrictions executed by Grantor and recorded in the real estate records of Chatham County, Georgia.

13) **Public Access to Portions of the Property.** Easements shall be in place on all roads, the nature preserve and central square park as provided for in the Covenants until dedicated to the City per the covenants.

14) **Developer Default and Remedies of the City.**

- (a) Developer shall be in default under this Agreement if Developer fails to perform any of its respective duties and obligations under this Development Agreement or the PSA and does not cure or remedy such failure to perform within ten (10) days after receipt of written notice from the City with respect thereto; provided, however, that, if such failure to perform shall require longer to cure than such ten (10) day period, then such cure period shall be extended for such period of time as is reasonably necessary to cure such failure to perform if Developer commences such cure within ten (10) days after receipt of written notice from the City and thereafter proceeds diligently and in good faith to cure.
- (b) Upon the occurrence of a default by Developer under this Development Agreement or under the PSA, the City may, in addition to any other remedy provided to the City under law and/or equity, pursue any one or more of the following remedies, separately or concurrently or any combination, without further notice or demand whatsoever:

- (i) The City may terminate the Owner's rights under this Development Agreement by giving Owner written notice of such termination.
- (ii) The City may terminate the Owner's rights under the PSA by giving Owner written notice of such termination, in which case the Earnest Money then on deposit shall be paid to Seller in accordance with Section 11.2 of the PSA in the case of a Default under the PSA.
- (iii) With or without terminating Developer's rights under this Agreement and/or the PSA, the City may bring an action against Developer to recover all damages, recoverable at law, suffered, incurred or sustained by the City in connection with such default.
- (iv) Upon the occurrence of a default by Developer under this Development Agreement and/or the PSA the City may terminate Developer's development rights under this Agreement by giving written notice thereof and may bring an action against Developer to recover all damages, recoverable at law, suffered, incurred or sustained by the City in connection with such default.

15) City Default and Remedies of Developer.

- (a) The City shall be in default under this Agreement if the City fails to perform any of its respective duties and obligations under this Development Agreement or the PSA and does not cure or remedy such failure to perform within ten (10) days after receipt of written notice from Developer with respect thereto; provided, however, that, if such failure to perform shall require longer to cure than such ten (10) day period, then such cure period shall be extended for such period of time as is reasonably necessary to cure such failure to perform if the City commences such cure within ten (10) days after receipt of written notice from Developer and thereafter proceeds diligently and in good faith to cure.
- (b) Upon the occurrence of a default by the City under this Agreement and/or the PSA, Developer's sole remedies shall be either (i) terminate this Development Agreement and the PSA by delivery of written notice to the City and receive a full and immediate refund of the Earnest Money then on deposit in accordance with the PSA, in which event neither party shall have no further obligations, one to the other, with respect to the subject matter of this Development Agreement and the except for those obligations that expressly survive the termination of such agreement, or (ii) seek specific performance.

- 16) Duration of Agreement.** This term of this Development Agreement shall commence upon the date of this Development Agreement and end upon the earlier of: (i) full completion of the development of the Project, dedication of portions of the Project as contemplated herein, or as otherwise sooner terminated as provided for in this Development Agreement or (ii) fifteen (15) years from the date of this Agreement.

17) **Amendment**. This Agreement shall not be modified or amended in any respect except by a written agreement executed by Developer and the City and such amendment is recorded in the real estate records of Chatham County, Georgia. Notwithstanding the foregoing, in the event Developer defaults under this Development Agreement and/or the PSA, the City may unilaterally terminate this Agreement and such termination may be evidenced by a unilateral executed termination by the City that is recorded in the real estate records of Chatham County, Georgia. Such termination shall indicate that the termination was effected as a result of a default by Developer, and may be conclusively relied upon by future purchasers, lenders, sellers, title examiners, title companies, closing attorneys and lenders.

18) **Notices**. All notices, demands and requests which may be given or which are required to be given by either Party to the other Party (or to Escrow Agent) under this Development Agreement shall be in writing and shall be deemed effective: (i) immediately, when delivered in person; (ii) at noon of the next Business Day after having been deposited with a nationally recognized overnight delivery service such as FedEx; or (iii) immediately, when sent during regular business hours, or at 8:30 a.m. Eastern time on the next Business Day after an after-hours, weekend or holiday notice sent, when such notice is delivered by e-mail. Any notice sent as required by this section and refused by its recipient shall be deemed delivered as of the date of such refusal. For purposes of this section, the addresses and e-mail addresses of the parties for all notices are as follows (unless changed by similar notice in writing given by the particular person whose address is to be changed):

To City: Joseph A. Melder, City Manager
City of Savannah
P.O. Box 1027
Savannah, Georgia 31402
e-mail: Jay.Melder@savannahga.gov

with a copy to: Bates Lovett, City Attorney
City of Savannah Attorney's Office
PO Box 1027
Savannah, Georgia 31402
e-mail: blovett@savannahga.gov

and with a copy to: Stuart R. Halpern, Esq.
Weiner, Shearouse, Weitz, Greenberg & Shawe, LLP
14 E. State Street
Savannah, Georgia 31401
e-mail: shalpern@wswgs.com

and with a copy to: David Keating
Sr. Director, Real Estate Services, City of Savannah
PO Box 1027
Savannah, Georgia 31402
e-mail: dkeating@savannahga.gov

To Developer: Robert Gould
RG Media Affiliates, LLC
100 Bull Street, Suite 200
Savannah, Georgia 31401
e-mail: Rob@RGMediaAffiliates.org

and with a copy to: Bouhan Falligant LLP
Attention: John D. Northup III, Esq.
One West Park Avenue
Savannah, Georgia 31401
e-mail: jdnorthup@bouhan.com

19) **Miscellaneous.**

- (a) **Severability.** If any term, covenant, condition or provision of this Development Agreement, or the application thereof to any person or circumstance, shall ever be held to be invalid or unenforceable, then in each such event the remainder of this Development Agreement or the application of such term, covenant, condition or provision to any other person or any other circumstance (other than those as to which it shall be invalid or unenforceable) shall not be thereby affected, and each term, covenant, conditions and provision hereof shall remain valid and enforceable to the fullest extent permitted by law.
- (b) **Non-Waiver.** Failure by either party to complain of any action, non- action or default of the other party shall not constitute a waiver of any aggrieved party's rights hereunder. Waiver by either party of any right arising from any default of the other party shall not constitute a waiver of any other right arising from a subsequent default of the same obligation or for any other default, past, present or future.
- (c) **Eminent Domain.** Nothing set forth in this Development Agreement shall limit, impair or abrogate the City's rights and powers with respect to eminent domain under the laws of the State of Georgia.
- (d) **Applicable Law.** This Development Agreement shall be governed by, construed under and interpreted and enforced in accordance with the laws of the State of Georgia.
- (e) **Entire Agreement.** This Development Agreement sets forth, and incorporates by reference all of the agreements, conditions and understandings between the City and Developer relative to the development of the Project and there are no promises,

agreements, conditions or understandings, oral or written between the Parties that are not embodied or referred to in this Development Agreement.

- (f) **Counterparts.** This Development 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.
- (g) **No Third Party Beneficiaries.** The provisions of this Agreement may be enforced only by the City and Developer. No other persons or entities shall have rights whatsoever hereunder.
- (h) **Construction of Agreement.** The Parties acknowledge that each Party has participated in the negotiation and preparation of this Development Agreement. This Agreement shall be construed without regard to any presumption or other statute or rule of law requiring construction against the Party causing the Development Agreement to be drafted.
- (i) **Binding Nature of Agreement.** This Development Agreement shall be binding upon, and shall inure to the benefit of, the successors or assigns of the respective Parties, and shall run with the Property and be binding upon and inure to the benefit of any person, firm or corporation that may become the successor in interest, directly or indirectly, to the Property or any portion thereof.
- (j) **Time of the Essence.** Time is of the essence of this Agreement.
- (k) **Waiver of Jury Trial.** Each of the Parties hereto waives trial by jury in any litigation, suit or proceeding between them in any court with respect to, in connection with or arising out of this Development Agreement, or the validity, interpretation or enforcement thereof.
- (l) **Consent to Jurisdiction.** Developer consents to the personal jurisdiction of the federal and state courts of Chatham County, Georgia and agrees that service of process may be made upon Developer by certified mail, return-receipt requested, or in any other manner permitted by law. Developer agrees not to assert in any action brought in any such court that such action is brought in an inconvenient forum, or otherwise make any objection to venue or jurisdiction.

[Signatures Contained on Following Page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed effective as of the Effective Date.

Signed, sealed and delivered in the presence of:

Ant - Asher
Witness

Angie R. Francis
Notary Public

My commission expires: 12-28-2025



DEVELOPER:

P3JVG, LLC,
a Georgia limited liability company

By: Robert Gould (SEAL)
Name: Robert Gould
Its: Managing Partner

Signed, sealed and delivered in the presence of:

Witness

Notary Public

My commission expires: _____

CITY:

THE MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH,
a Georgia municipal corporation

By: _____ (SEAL)
Name: Joseph A. Melder
Its: City Manager

Attest: _____ (SEAL)
Name: Mark Massey
Its: City Clerk

EXHIBIT A

Legal Description of Property

All that certain tract or parcel of land situate, lying and being in Chatham County, Georgia, just beyond the corporate limits of the City of Savannah, known as the "Rutherford Tract", containing sixty-five acres, more or less, and being more particularly described as follows: beginning at a point on the west side of the right of way of the Middleground Road which is the southeast corner of the Rutherford Tract and the Northeast corner of the Tickle Gizzard Tract, running thence North $73\frac{1}{4}^{\circ}$ West a distance of two thousand nine hundred forty feet (2940), more or less, along the dividing line between said two tracts to the easterly line of the right of way of the Atlantic Coast Line Railway; thence in a northeasterly direction along said right of way a distance of one thousand seven hundred twenty-four feet (1724), more or less, to its junction with the southern line of the Plumstead Tract; thence South $73\frac{1}{2}^{\circ}$ East, along the dividing line between the Plumstead and Rutherford Tracts, a distance of one thousand one hundred sixty-four feet (1164), more or less, to a concrete monument; thence South $17^{\circ}03'$ West a distance of five hundred thirty-eight and two tenths (538.2) feet to a stake; thence South $72^{\circ}30'$ East a distance of six hundred ninety-nine and four tenths (699.4) feet to a stake on the West line of the right of way of Middleground Road; thence South along said west line of said right of way to the point of beginning; said tract hereby conveyed being bounded on the North by the Plumstead Tract; on the East by the Middleground Road, on the South by the Tickle Gizzard Tract, and on the West by the right of way of Atlantic Coast Line Railway. This is the same property conveyed to W. M. Davidson by deed from Emile Newman, dated January 9, 1896, which is recorded in the Office of the Clerk of the Superior Court of said County in Deed Book 7 O's, page 274, plus on, and five tenths (1.5) acres conveyed to said party of the first part by deed from Edwin J. Feiler, dated February 27, 1946, recorded in said Clerk's office in Deed Book 42 I's, page 347, less one and five tenths (1.5) acres conveyed by said party of the first part to Edwin J. Feiler by the same deed; a map of said Rutherford Tract made by the Percy Sugden, C. E., May 1890, which is recorded in said Clerk's office in Deed Book 6 T's, page 131, and a map showing the swap of property with Edwin J. Feiler, which is recorded in said Clerk's office in Plat Record "B", page 341, being hereby specifically referred to.

EXHIBIT B

Master Plan

[attached]

EXHIBIT C

Declaration of Easements, Covenants and Restrictions

[attached]