

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: May 26, 2016

Action Requested By: Urban Development

Agenda Type: Resolution

Subject Matter:

Agreement between the City of Huntsville and Mid-City Owner, L.L.C.

Exact Wording for the Agenda:

Resolution authorizing the Mayor to enter into an Urban Renewal/Redevelopment Agreement between the City of Huntsville and Mid-City Owner, L.L.C.

Note: If amendment, Please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

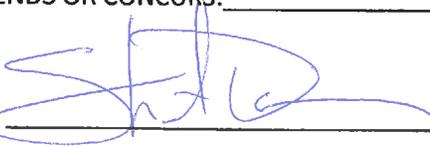
Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

This Redevelopment Agreement confirms Mid-City Owner, L.L.C. as the redeveloper under the City's Cummings Research Park - East Urban Renewal/Redevelopment Plan for Priority Zone 1 (Project 1).

Associated Cost: _____

Budgeted Item: _____

MAYOR RECOMMENDS OR CONCURS: _____

Department Head:  _____

Date: 5/25/16

RESOLUTION NO. 16-_____

WHEREAS, this City Council of the City of Huntsville, Alabama previously authorized and adopted on February 11, 2016, pursuant to Resolution No. 16-87, the Research Park East Urban Renewal and Urban Development Plan (the "Plan"), pursuant to Alabama Code 1975, Section 24-2-1 *et seq.* and Alabama Code 1975, Section 24-3-1 *et seq.*; and

WHEREAS, the Plan provided for the City to acquire certain properties and negotiate agreements with developers or redevelopers in order to remove existing blight and blighting conditions and transform the Plan area into a more economically viable, physically attractive, people desirable, fully developed and functional part of the Huntsville community in and around the Cummings Research Park area; and

WHEREAS, the City has negotiated with a developer and desires to enter into an agreement to redevelop the initial project, Project I, in furtherance of the Plan's stated goals and objectives.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor be, and he is hereby authorized to execute this Urban Renewal/Redevelopment Agreement by and between the City of Huntsville, Alabama, and Mid-City Owner, LLC, on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, in substantially the form attached hereto and identified as "Urban Renewal/Redevelopment Agreement-Project I (Mid-City), by and between the City of Huntsville and Mid-City Owner, LLC" consisting of sixty-eight (68) pages, including exhibits, and containing such changes or clarifications as the Mayor shall deem necessary and appropriate, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized and directed, along with the City-Clerk Treasurer, to take all actions as may be necessary, including the negotiation and execution of all additional agreements, notices, certificates, or other documents, in furtherance of the intent of this Agreement, including without limitation all transactions anticipated, provided for, or made necessary by this Agreement. Such agreements, notices, certificates or other documents may include, but shall not be limited to, subordination, attornment, and similar agreements and other instruments in furtherance of the redevelopment of and acquisition of properties within the Project I area.

BE IT FURTHER RESOLVED that the Mayor is authorized to engage Samuel H. Givhan, Attorney at Law, and the law firm of Wilmer & Lee, P.A., to handle the closings for such properties and/or prosecute such other actions as may be necessary in compliance with the laws of the State of Alabama on behalf of the City of Huntsville for the acquisition of said properties.

ADOPTED this the 26th day of May, 2016.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 26th day of May, 2016.

Mayor of the City of
Huntsville, Alabama

**URBAN RENEWAL/REDEVELOPMENT AGREEMENT - PROJECT I
(MID-CITY)**

**by and between
THE CITY OF HUNTSVILLE
and
MID-CITY OWNER, LLC**

Dated: _____, 2016

**URBAN RENEWAL/REDEVELOPMENT AGREEMENT - PROJECT I
(MID-CITY)**

This Urban Renewal/Redevelopment Agreement – Project I (Mid-City) (this “Agreement”) is made and entered into on and as of this _____ day of _____, 2016 (the “Effective Date”), by and between the City of Huntsville, a municipal corporation under the laws of the State of Alabama (the “City”), and Mid-City Owner, LLC, a Delaware limited liability company (the “Developer”). The City and the Developer are collectively referred to herein from time to time as the “Parties” and, individually, as a “Party”.

WITNESSETH

WHEREAS, on February 11, 2016, the City adopted under Resolution No. 16-87 the Research Park East Urban Renewal and Urban Redevelopment Plan, a copy of which is attached as Exhibit E hereto (the “Plan”) pursuant to Alabama Code 1975, Section 24-2-1, *et seq.* and Alabama Code 1975, Section 24-3-1, *et seq.*, after its unsuccessful attempts over many months to purchase facilities from private enterprises in order to cause blight, crime and other deleterious elements to be removed from, and to prevent further blight, crime and other deleterious elements from occurring within and due to, certain commercial and related facilities located within the Plan Area hereinafter defined; and

WHEREAS, the Plan identifies an approximately 500 acre area within the City generally bounded by University Drive on the north, Wynn Drive on the east, Interstate 565 on the south and Research Park Boulevard to the west (the “Plan Area”), which has experienced dramatic decreases in property values and increases in property vacancies, business relocations and crime-related activities, and requires the efforts of the City to redevelop and renew the same using the full powers afforded under Alabama law to public bodies facing such conditions for the overall benefit of the general public; and

WHEREAS, the express purpose of the Plan is to remove existing blight and blighting conditions and transform the Plan Area into a more economically viable, physically attractive, people desirable, fully developed and functional part of the Huntsville community in and around the Cummings Research Park area; and

WHEREAS, the Plan contains multiple types of public improvements for the City to construct and develop within the Plan Area, such as, among other things, public roadway improvements, pedestrian facilities, lighting and landscaping, utility upgrades, open space and recreation improvements, all of which the City is planning to construct and develop at some point in the future (collectively, the “Plan Public Improvements”); and

WHEREAS, the City may negotiate agreements with developers or redevelopers as it deems necessary, convenient and proper in order to develop all or any part of the Plan Area in accordance with certain stated objectives in the Plan including, among others (i) removing blight and blighting conditions, (ii) restoring the economic vitality of the Plan Area through a mix of compatible and appropriate land uses such as residential, office, retail, services, open space and institutional uses, (iii) promoting and improving on rational and efficient traffic systems to

facilitate traffic flow and access to both public and private facilities while maintaining a balance between vehicular, transit, pedestrian and bicycle modes of travel, (iv) providing open space opportunities for recreational opportunities to the general public, (v) promoting and assisting with the development of new urban centers, neighborhoods, commercial development, and business environments that will further strengthen Cummings Research Park, adjacent neighborhoods and the University of Alabama at Huntsville, and (vi) promoting and assisting residential development within the Plan Area; and

WHEREAS, in furtherance of and pursuant to the Plan, the City has determined to commence actions to acquire certain parcels of real property aggregating approximately twenty-five (25) acres within the Plan Area and hereinafter defined as the Acquired Property; and

WHEREAS, the Developer is the largest landowner within the Plan Area and has approached the City with plans to design, develop and construct a mixed-use project to be known as "Mid-City Huntsville" to include retail, commercial/office, hotel, multi-family, open space and other improvements and containing those attributes and elements seen in modern mixed-use "live-work-play" developments, all as more particularly described herein (the "Project"), and that would further the objectives of the Plan if developed as represented to the City by the Developer; and

WHEREAS, the Project is proposed to be located on certain parcels within the Plan Area owned by Developer, and other property to be owned by Developer within the Plan Area, aggregating approximately one hundred (100) acres and located at the southeast quadrant of University Drive and Research Park Boulevard NW and in close proximity to the Acquired Property (the "Developer Property" and, together with the Acquired Property, the "Project Site"), which such Project Site is set forth on Exhibit A; and

WHEREAS, the Project Site is wholly located within the Plan Area and is a Priority Zone (as defined in the Plan), is situated in and around an area highly suited for important urban expansion, redevelopment and renewal, and contains key parcels along University Drive that are integral to the City's ongoing efforts to facilitate redevelopment and improved commerce, public entertainment and quality of life improvements within the City; and

WHEREAS, the construction and development of the various components of the Project in accordance with heightened design and development standards will result in a substantial economic benefit to the City by expanding the tax base of the City, increasing the number of jobs within the City, and enhancing the overall quality of life for the citizens of the City, and will further help prevent the proliferation of unplanned developments that are detrimental to the sustained economic health and well-being of the City; and

WHEREAS, the Developer has agreed to design, construct and acquire the various components of the Project substantially in accordance with the terms of a detailed development plan containing plans and specifications, layouts, elevations, renderings, descriptions of materials, and size, scale, square footages and activity type descriptions for each facility within the Project, along with other details and information about the Project (hereinafter defined as the Development Plan), which such Development Plan the Developer has represented will be available for review and approval by the City within approximately sixty (60) days of the

Effective Date (herein defined) of this Agreement, and to construct and develop for the benefit of the City a regional public storm water retention system (hereinafter defined as the Public Lakes); and

WHEREAS, the Developer plans to complete the Project in four phases (each, a “Phase”, and collectively, the “Phases”), which such Phases are herein more particularly described and referenced as “Phase I”, “Phase II”, “Phase III” and “Phase IV” and are generally to be located as shown in Exhibit B hereto; and

WHEREAS, the Developer has represented to the City that the Developer cannot obtain financing for any Phase of the Project until public roadway improvements adjacent to such Phase have been constructed; and

WHEREAS, as a condition to Developer agreeing to design, develop, construct and operate the Project substantially in accordance with the Development Plan, the City has agreed to accelerate the construction and development of certain of the Plan Public Infrastructure consisting of (i) public roadway improvements within the limitations as to distance from the outside back of curb for all cross sections as set forth on Exhibit C-1 (collectively, the “Public Roadway Improvements”), (ii) public utilities (collectively, the “Public Utilities Improvements”), (iii) the relocation of a public culvert as described herein (the “Culvert Relocation”), (iv) open space and greenspace (collectively, the “Open Space Improvements”), and (v) a connector road providing access to the Project Site via a slip ramp off of Research Park Boulevard NW, (the “Connector Road” and, together with the Public Roadway Improvements, the Public Utilities Improvements, the Culvert Relocation, the Open Space Improvements and other public improvements as may be identified by the City and described in its IFBs (hereinafter defined), collectively, the “Public Improvements”), all as described on Exhibit C-2 hereto and on land obtained by the City as more particularly described herein; and

WHEREAS, the City is authorized to acquire by purchase or by the exercise of other rights afforded to municipalities under Alabama law as the City deems necessary, convenient and proper to carry out the purposes of the Plan and to construct the Plan Public Improvements, and the City has found it necessary, wise, in the public interest and in substantial furtherance of the Plan, assuming the City approves the Development Plan for the Project as herein provided, to transfer and convey to Developer certain parcels of real property as more particularly described herein (for purposes of these recitals only, the “City Conveyed Property”) in exchange for property to be conveyed by Developer to the City upon which a portion of the Public Improvements will be located (for purposes of these recitals only, the “Developer Conveyed Property”); provided, that the City shall first determine the Developer Conveyed Property, together with other covenants and agreements of the Developer set forth herein, is of a fair, sufficient and reasonable value and consideration in exchange for the City Conveyed Property; and

WHEREAS, by entering into this Agreement and causing Developer to develop, construct, design and install the Project in accordance with heightened design standards and containing a mixture of minimal square footage of retail, commercial/office and other improved uses and minimum hospitality room numbers, as more particularly described herein, the City is proceeding to implement the Plan and, accordingly, this Agreement represents the first

redevelopment project agreement with private entities contemplated by the Plan to remove the current blight and blighting conditions, adverse land use patterns and depressed economic conditions and implement the other goals and objectives of the Plan; and

WHEREAS, in addition to significantly furthering and promoting the Plan, the City has determined that the Project will inure substantially to the benefit of the City and its citizens by (i) reducing crime and urban blight in the area, (ii) expanding the tax base of the City by attracting to the Project general commercial, business, entertainment and recreational activity and development, (iii) attracting to the Research Park area individuals who desire to live, work, shop and conduct commercial business operations in an urban setting, (iv) facilitating the development of other portions of the Research Park area located within and around the vicinity of the Plan Area, (v) expanding employment opportunities within and surrounding the Plan Area, (vi) promoting health, safety and welfare in the vicinity of the Plan Area, (vii) preserving and improving the aesthetic quality of commercial development, inuring to the economic health of the City, and (viii) enhancing the overall quality of life for the citizens of the City.

NOW THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

ARTICLE I PUBLIC IMPROVEMENTS

1.1 General; Development Plan. (a) The City hereby covenants and agrees to accelerate the design, development, and construction of certain of the Plan Public Improvements as more particularly set forth and described in this Agreement and on the condition that the City will have acquired fee simple title to the properties upon which such improvements will be constructed at costs acceptable to the City and the Developer performing its obligations under this Agreement including, without limitation (i) designing, developing, constructing, leasing and opening to the general public Phase I, Phase II, Phase III and Phase IV as set forth herein and in accordance with a Development Plan approved by the City (as described below), and (ii) performing the Public Improvements Developer Conditions set forth herein.

(b) Following execution of this Agreement, the Developer shall cause Urban Design Associates to prepare and deliver for approval by the City, with the Mayor and Director of Urban Development acting by and on behalf of the City for such purpose, a development plan providing for the construction of the Project in four (4) Phases, as more particularly described in this Article III and in phases as depicted on Exhibit B, containing not less than 150,000 square feet of commercial/office space, 350,000 square feet of retail space, hospitality improvements aggregating to not less than 100 rooms, and not less than 560 multi-family units, and containing detailed plans and specifications, layouts, elevations, renderings, descriptions of materials, square footages and activity types for each facility or division of a facility and other improvements and amenities to be located within the Project Site, and such other information as may be reasonably required by the City to confirm that the development plan is in substantial furtherance of the Plan (such development plan, as approved by the City as aforesaid, the "Development Plan"). If the City does not approve the Development Plan within 60 days of receipt, or such longer period as shall be agreed to between the Developer and the City (with the

Mayor and Director of Urban Development herein authorized to act on behalf of the City for such purpose) as being in substantial furtherance of the Plan as aforesaid then this Agreement shall terminate and be of no further force or effect.

1.2 Phase I Public Improvements. (a) Plans and Specifications. Within sixty (60) days following the Effective Date of this Agreement and the City's approval of the Development Plan, the City shall begin preparing preliminary plans and specifications for that certain portion of the Public Improvements consisting of public roadway improvements running up to and across the front portions of Phase I of the Project, as the same shall be set forth and described in the Development Plan, but subject to the limitations as to distance from the outside back of curb for all cross sections as shown on Exhibit C-1, necessary for Developer to obtain financing for Phase I of the Project, and whatever other public infrastructure improvements the City determines to construct and develop beyond those required for Developer to obtain financing as aforesaid (collectively, the "Phase I Public Improvements"), which such improvements shall be based upon schematic plans and guidelines for the Public Improvements proposed for the Project to be prepared by Urban Design Associates (the "UDA Guidelines"), and shall submit the final plans and specifications for the Phase I Public Improvements to the Developer for approval by December 31, 2016.

(b) IFBs for Phase I Public Improvements. (i) Within thirty (30) days after the plans and specifications for the Phase I Public Improvements have been fully designed and approved by the Parties as described in paragraph (a) above and in Section 1.5 below, the City shall prepare the invitations for bids and related documentation (referred to herein from time to time, collectively, as the "Phase I Public Improvements IFBs" and, individually, as a "Phase I Public Improvements IFB") the City deems necessary for bidding of the Phase I Public Improvements, which such Phase I Public Improvements IFBs shall be subject to the reasonable approval of the Developer. A Phase I Public Improvements IFB shall be deemed approved by the Developer unless the Developer provides a written objection thereto to the City within five (5) business days of Developer's receipt of such Phase I Public Improvements IFB.

(ii) Within fifteen (15) days (or such longer period as shall be agreed to by Developer and the City, with the Mayor or Director of Urban Development herein authorized to act on behalf of the City for such purpose) after: (A) approval by the Developer and the City of the Phase I Public Improvements IFBs as herein described, and (B) entry of a Final Order (as defined in Section 4.3(d) below) respecting the actions described in Article IV hereof and with a purchase price for the land respecting the same that the City believes is fair, reasonable and acceptable in its sole discretion, and (C) satisfaction by Developer of the following conditions (collectively, the "Phase I Public Improvements Developer Conditions"), the City shall submit the Phase I Public Improvements IFBs for bidding:

(1) the City has obtained, pursuant to Section 4.4 hereof, fee simple title (or other rights determined by the City as sufficient for the construction of the Phase I Public Improvements) to those portions of real property within the Project Site not otherwise owned by the City upon which the Phase I Public Improvements referenced in such Phase I Public Improvements IFBs will be constructed, along with whatever rights or privileges

shall be necessary or desirable to other areas within or around the Project Site for the City to construct the Phase I Public Improvements;

(2) Developer shall have submitted a request for a grading permit with respect to Phase I (hereinafter defined) of the Project;

(3) Developer shall have delivered to the City evidence satisfactory to the City that the Developer has obtained funding necessary to cover the costs of the Developer to complete construction of Phase I of the Project;

(4) Developer shall have recorded the Declaration (hereinafter defined) with respect to the Phase I Site (hereinafter defined) as provided in Section 3.7 hereof and performed its other obligations under Section 3.7;

(5) Developer shall have completed the construction of the two (2) public lakes as depicted and described in the Development Plan (collectively, the "Public Lakes") to serve as a regional public storm water system;

(6) Developer shall have demolished and cleared all existing vertical structures necessary for the City to construct, develop and install the Phase I Public Improvements; and

(7) Unless the general contractor for Phase I of the Project is a Nationally Recognized Construction Firm (hereinafter defined), Developer's general contractor shall have obtained a payment bond and a performance bond from a surety company licensed to issue such bonds in the State of Alabama and reasonably acceptable to the City with respect to such Phase of the Project (a "Construction Bond"), and the City shall have been added as an obligee to such bonds under a dual obligee rider in form and substance acceptable to the City (with the Mayor and Director of Urban Development herein authorized to act on behalf of the City for such purpose);

(iii) The City shall issue a notice to proceed to the winning responders to the Phase I Public Improvements IFBs no later than the fifteenth (15th) day after the date that the City awards the construction of the Phase I Public Improvements.

(c) Timing of Construction of Phase I Public Improvements. The City agrees to use its good faith efforts to complete the Phase I Public Improvements within one hundred eighty (180) days following the issuance of a notice to proceed to the winning responders to the Phase I Public Improvements IFBs.

(d) Regional Public Storm Water System. The Parties agree that at such time as the Developer shall have applied to the City for a grading permit for Phase I of the Project and the City shall have obtained or been given, at no cost to the City, fee simple title to real property for the Culvert Relocation, along with all easements and access necessary to construct, the Culvert Relocation, then the City shall begin the Culvert Relocation and shall work expeditiously and in good faith with Developer to cause the same to be substantially completed at such time as the Developer's construction of the Public Lakes is substantially completed so that the combined improvements shall serve as a regional public storm water system.

1.3 Phase II Public Improvements. (a) Plans and Specifications. Within thirty (30) days after the Developer shall have (1) submitted requests for building permits related to at least fifty percent (50%) of the aggregate square footage of Phase I of the Project, and (2) requested in writing that the City proceed with the Phase II Public Improvements, the City shall begin preparing preliminary plans and specifications for that portion of the Public Improvements consisting of roadway improvements running up to and across the front portions of Phase II of the Project, as the same shall be set forth and described in the Development Plan, but subject to the limitations as to distance from the outside back of curb for all cross sections as shown on Exhibit C-1, necessary for Developer to obtain financing for Phase II of the Project, and whatever other public infrastructure improvements the City determines to construct and develop beyond those required for Developer to obtain financing as aforesaid (collectively, the "Phase II Public Improvements"), which such improvements shall be based upon the UDA Guidelines, and shall submit the final plans and specifications for the Phase II Public Improvements to the Developer for approval within one hundred eighty (180) days of the City's initial preparations thereof.

(b) IFBs for Phase II Public Improvements. (i) Following satisfaction of the requirements of paragraph (a) immediately above and within thirty (30) days after the Developer shall have provided written notice to the City that the Developer has commenced construction of at least seventy-five percent (75%) of the aggregate square footage of Phase I of the Project and completed construction of at least twenty-five percent (25%) of the aggregate square footage of Phase I of the Project, unless such conditions shall be waived or otherwise modified (though if modified, only at the written request of the Developer) in writing by the City at its sole discretion, with the Mayor and the Director of Urban Development herein authorized to act on behalf of the City for such purpose, the City shall prepare the invitations for bids and related documentation (referred to herein from time to time, collectively, as the "Phase II Public Improvements IFBs" and, individually, as a "Phase II Public Improvements IFB") the City deems necessary for bidding of the Phase II Public Improvements, which such Phase II Public Improvements IFBs shall be subject to the reasonable approval of the Developer. A Phase II Public Improvements IFB shall be deemed approved by the Developer unless the Developer provides a written objection thereto to the City within five (5) business days of Developer's receipt of such Phase II Public Improvements IFB.

(ii) Within fifteen (15) days (or such longer period as shall be agreed to by Developer and the City, with the Mayor or Director of Urban Development herein authorized to act on behalf of the City for such purpose) after: (A) such time as at least eighty percent (80%) of the aggregate square footage of the buildings located in Phase I have been completed and approval by the Developer and the City of the Phase II Public Improvements IFBs as described in

paragraph (b)(i) above and Section 1.5 below, and (B) satisfaction by Developer of the following conditions (collectively, the “Phase II Public Improvements Developer Conditions”), the City shall submit the Phase II Public Improvements IFBs for bidding:

(1) the City has obtained, pursuant to Section 4.4 hereof, fee simple title (or other rights determined by the City as sufficient for the construction of the Phase II Public Improvements) to those portions of real property within the Project Site not otherwise owned by the City upon which the Phase II Public Improvements referenced in such Phase II Public Improvements IFBs will be constructed, along with whatever rights or privileges shall be necessary or desirable to other areas within or around the Project Site for the City to construct the Phase II Public Improvements;

(2) Developer shall have submitted a request for a grading permit with respect to Phase II of the Project;

(3) Developer shall have delivered to the City evidence satisfactory to the City that the Developer has obtained funding necessary to cover the costs of the Developer to complete construction of Phase II of the Project;

(4) Developer shall have recorded the Declaration with respect to the Phase II Site (hereinafter defined) as provided in Section 3.7 hereof and performed its other obligations under Section 3.7;

(5) Developer shall have demolished and cleared all existing vertical structures necessary for the City to construct, develop and install the Phase II Public Improvements; and

(6) Unless the general contractor for Phase II of the Project is a Nationally Recognized Construction Firm, Developer’s general contractor shall have obtained a Construction Bond with respect to Phase II of the Project, and the City shall have been added as an obligee to such bonds under a dual obligee rider in form and substance acceptable to the City.

(iii) The City shall issue a notice to proceed to the winning responders to the Phase II Public Improvements IFBs no later than the fifteenth (15th) day after the date that the City awards the construction of the Phase II Public Improvements.

(c) Timing of Construction of Phase II Public Improvements. The City agrees to use its good faith efforts to complete the Phase II Public Improvements within two hundred forty (240) days following the issuance of a notice to proceed to the winning responders to the Phase II Public Improvements IFBs.

1.4 Phase III Public Improvements. (a) Plans and Specifications. Within thirty (30) days after the Developer shall have submitted requests for building permits related to at least fifty percent (50%) of the aggregate square footage of Phase II of the Project and (2) requested in writing that the City proceed with the Phase III Public Improvements, the City shall begin preparing preliminary plans and specifications for that certain portion of the Public Improvements consisting of public roadway improvements referable to Phase III of the Project, as the same shall be more particularly shown in the Development Plan, but subject to the limitations as to distance from the outside back of curb for all cross sections as shown on Exhibit C-1, necessary for Developer to obtain financing for Phase III of the Project, and whatever other public infrastructure improvements the City determines to construct and develop beyond those required for Developer to obtain financing as aforesaid (collectively, the “Phase III Public Improvements”) which such improvements shall be based upon the UDA Guidelines, and shall submit the final plans and specifications for the Phase III Public Improvements to the Developer for approval within one hundred eighty (180) days of the City’s initial preparations thereof.

(b) IFBs for Phase III Public Improvements. (i) Following satisfaction of the requirements of paragraph (a) immediately above and within thirty (30) days after the Developer shall have provided written notice to the City that the Developer has commenced construction of at least seventy-five percent (75%) of the aggregate square footage of Phase II of the Project and completed construction of at least twenty-five percent (25%) of the aggregate square footage of the Phase II of the Project, unless such conditions shall be waived or otherwise modified in writing (though if modified, only at the written request of the Developer) by the City at its sole discretion, the City shall prepare the invitations for bids and related documentation (referred to herein from time to time, collectively, as the “Phase III Public Improvements IFBs” and, individually, as a “Phase III Public Improvements IFB”) as the City deems necessary for bidding of the Phase III Public Improvements, which such Phase III Public Improvements IFBs shall be subject to the reasonable approval of the Developer. A Phase III Public Improvements IFB shall be deemed approved by the Developer unless the Developer provides a written objection to the City within five (5) business days of Developer’s receipt of such Phase III Public Improvements IFB.

(ii) Within fifteen (15) days (or such longer period as shall be agreed to by Developer and the City, with the Mayor or Director of Urban Development herein authorized to act on behalf of the City for such purpose) after (A) at least eighty percent (80%) of the aggregate square footage of the buildings located in Phase II has been completed and approval by the Developer and the City of the Phase III Public Improvements IFBs as described in paragraph (b)(i) above and Section 1.5 below, and (B) satisfaction by Developer of the following conditions (collectively, the “Phase III Public Improvements Developer Conditions”), the City shall submit the Phase III Public Improvements IFBs for bidding:

(1) The City has obtained pursuant to Section 4.4 hereof fee simple title (or other rights determined by the City as sufficient for the construction of the Phase III Public Improvements) to those portions of real property within the Project Site not otherwise owned by the City upon which the Phase III Public Improvements referenced in such Phase III Public Improvements IFBs will be constructed, along with whatever

rights or privileges shall be necessary or desirable to other areas within or around the Project Site for the City to construct the Phase III Public Improvements;

(2) Developer shall have submitted a request for a grading permit with respect to Phase III of the Project;

(3) Developer shall have delivered to the City evidence satisfactory to the City that the Developer has obtained funding necessary to cover the costs of the Developer to complete construction of Phase III of the Project;

(4) Developer shall have recorded the Declaration with respect to the Phase III Site (hereinafter defined) as provided in Section 3.7 hereof and performed its other obligations under Section 3.7;

(5) Developer shall have demolished and cleared all existing vertical structures necessary for the City to construct, develop and install the Phase III Public Improvements; and

(6) Unless the general contractor for Phase III is a Nationally Recognized Construction Firm, Developer's general contractor shall have obtained a Construction Bond with respect to Phase III of the Project, and the City shall have been added as an obligee to such bonds under a dual obligee rider in form and substance acceptable to the City.

(iii) The City shall issue a notice to proceed to the winning responders to the Phase III Public Improvements IFBs no later than the fifteenth (15th) day after the date that the City awards the construction of the Phase III Public Improvements.

(c) Timing of Construction of Phase III Public Improvements. The City agrees to use its good faith efforts to complete the Phase III Public Improvements within two hundred forty (240) days following the issuance of a notice to proceed to the winning responders to the Phase III Public Improvements IFBs.

1.5 Certain Provisions Referable to Public Improvements Development.

(a) With respect to each phase of the Public Improvements, the City and the Developer shall work diligently and in good faith to agree upon the plans and specifications for said phase within thirty (30) days following the Developer's initial receipt thereof from the City for review as set forth above, and once approved such plans and specifications shall not be changed except for changes determined by the Director of Urban Development, herein authorized to act on behalf of the City for such purpose, as being necessary for public safety or otherwise required due to (i) increases in costs beyond the City's cost estimate to design, develop, and construct such phase of the Public Improvements or (ii) issues experienced during construction of such phase of the Public Improvements so that changes are reasonably necessary

for the City to perform its obligations hereunder; and, further, any other changes to such plans and specifications shall be subject to written approval by the Developer and the Director of Urban Development, herein authorized to act on behalf of the City for such purpose.

(b) The Parties hereto agree that neither the Developer nor any Person directly or indirectly Controlling, Controlled by or under Common Control with the Developer may submit a response to any invitation for bid from the City for any of the Public Improvements. As used in this Agreement, (i) "Control" means the ownership (direct or indirect) by one Person of an interest in the profits and capital and the right to manage and control the day to day affairs of another Person and, further, includes any grammatical variation thereof, including "Controlled" and "Controlling", (ii) "Common Control" means that two Persons are both controlled by the same other Person, and (iii) "Person" means an individual, partnership, firm, association, corporation, trust, governmental agency, administrative tribunal or other form of business or legal entity.

ARTICLE II REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of the City. (a) The City, by action of the City Council, has duly authorized the execution, delivery and performance of this Agreement.

(b) Neither the authorization, execution and delivery of, nor the performance of, this Agreement by the City, violates, constitutes a default under or a breach of (i) any agreement, instrument, contract, mortgage, ordinance, resolution or indenture to which the City is a party or to which the City or its assets or properties are subject or (ii) any law, judgment, decree, order, ordinance, rule, regulation, consent or resolution applicable to the City or any of its assets or properties.

(c) There is not now pending nor, to the knowledge of the City, threatened, any litigation affecting the City which questions (i) the validity or organization of the City, (ii) the members, titles or positions of the members of the City Council or the manner in which the officers of the City are selected, or (iii) the subject matter of this Agreement.

2.2 Representations and Warranties of Developer. (a) The Developer is duly organized and validly existing as a limited liability company under the laws of the State of Delaware and has duly authorized its execution, delivery and performance of this Agreement.

(b) Neither the execution and delivery of this Agreement, nor the performance hereof, by the Developer requires any consent of, filing with or approval of, or notice to, or hearing with any person or entity (including, but not limited to, any governmental or quasi-governmental entity), except for such consents, filings, notices and hearings described herein, or already held or maintained.

(c) Neither the authorization, execution and delivery of, nor the performance of, this Agreement by the Developer, violates, constitutes a default under or a breach of (i) the Developer's certificate of incorporation or other organizational documents of the Developer, (ii) any agreement, instrument, contract, mortgage or indenture to which the Developer is a party or

to which the Developer or its assets are subject, or (iii) any judgment, decree, order, ordinance, regulation, consent or resolution applicable to the Developer or any of its assets.

(d) There is not now pending nor, to the knowledge of the Developer, threatened, any litigation affecting the Developer which questions the validity or organization of the Developer, or any of the representations and warranties of the Developer contained herein.

ARTICLE III CONSTRUCTION OF PROJECT; DECLARATION OF RESTRICTIVE COVENANTS

3.1 Construction of the Project. The Developer hereby covenants and agrees to design, develop, construct, and install the Project in accordance with the Development Plan and within the timeframes described below in this Article III. The Parties agree that, following approval by the City as aforesaid, the Developer may not change the Development Plan without the prior written consent of the City, with the Mayor and Director of Urban Development herein authorized to act on behalf of the City for such purpose, unless such change (whether by a single change or by an aggregation of changes over time) neither (i) increases or decreases the square footage of any particular use of a particular Phase depicted in the Development Plan by more than fifteen percent (15%), (ii) increases or decreases the aggregate square footage of all uses of a particular Phase depicted in the Development Plan by more than fifteen percent (15%), (iii) increases or decreases the number of facilities constructed for a particular Phase as shown in the Development Plan, or (iv) changes or modifies the exterior facade, construction, materials or other aesthetic elements of any portions of a particular Phase as shown in the Development Plan, and, further, prior to such change the Developer provides written notice to the City of the same including all information relevant to such change including, without limitation, the revised drawings, plans, specifications and other materials necessary for the City to ascertain the Developer's compliance with this Section 3.1. Any other changes to the Development Plan shall be subject to prior written consent by the City, with the Mayor and the Director of Urban Development herein authorized to act on behalf of the City for such purpose.

3.2 Phase I. (a) The Developer shall (i) commence construction of Phase I of the Project, which is generally identified as being within the area designated within "P1A" and P1B" on Exhibit B, on that portion of the Project Site depicted for such Phase in the Development Plan (the "Phase I Site") within ninety (90) days after receiving notice of the entry of the Final Order from the City; and (ii) use its good faith efforts to complete construction of at least eighty percent (80%) of the aggregate square footage of the buildings located in Phase I on the Phase I Site in accordance with the requirements of this Section 3.2 within twenty (20) months after receipt of such notice of the entry of the Final Order from the City. Phase I shall include construction of the retail, commercial/office, amenities, hotel, and multi-family uses and square footages as depicted for such Phase in the Development Plan.

(b) The Developer agrees that at all times during the Phase I Retail Testing Period, the retail and/or restaurant tenants or occupants comprising at least seventy percent (70%) of the leased or owned Phase I retail square footage shall be retail or restaurant enterprises that did not relocate into the Project from inside the market area depicted on Exhibit D hereto, unless listed in the Existing Mall Tenants List (the "Phase I Retail Space Square Footage Tenant Requirement"). As used herein, "Phase I Retail Testing Period" shall mean the period ending

thirty-seven (37) months after (1) completion of construction of eighty percent (80%) of the aggregate square footage of the buildings located in Phase I, or (2) if at least eighty percent (80%) of the aggregate square footage of construction of the buildings located in Phase I have not been completed by the 5th anniversary of the Effective Date, the 5th anniversary of the Effective Date if elected by the City within 10 days of said 5th anniversary; and as used herein, “Existing Mall Tenants List” shall mean a list to be prepared by (and mutually agreeable to) the Developer and the City, with the Mayor and Director of Urban Development herein authorized to act on behalf of the City for such purpose, within ten (10) days of the Effective Date.

The Developer agrees to provide to the City, on each Testing Date following commencement of the Phase I Retail Testing Period, reports and such supporting or other information as the City shall reasonably require showing, as of each Testing Date (i) the total amount of Phase I retail and/or restaurant square footage then constructed, (ii) the total amount of Phase I retail and/or restaurant square footage then leased and/or occupied by retail and restaurants, and (iii) the name and identity of each lessee and/or, if not leased, owner, of such space, and the amount of square footage leased by each lessee or, if not leased, owned by such owner. As used in this Section 3.2(b), “Testing Date” shall be the last calendar day of the sixth (6th) full calendar month immediately following commencement of the Phase I Retail Testing Period, and the last calendar day of each set of consecutive sixth calendar months immediately thereafter (each such set of six calendar months, a “Subsequent Semiannual Period”) through and including the last day of the fifth (5th) Subsequent Semiannual Period for a total of six (6) Testing Dates. By way of example, if the Phase I Retail Testing Period began on January 8, 2017, the Testing Dates would be as follows:

Testing Date 1	July 31, 2017
Testing Date 2	January 31, 2018
Testing Date 3	July 31, 2018
Testing Date 4	January 31, 2019
Testing Date 5	July 31, 2019
Testing Date 6	January 31, 2020

Upon a default by the Developer of this Section 3.2(b) to satisfy the Phase I Retail Space Square Footage Tenant Requirement as of any Testing Date, which such default is not cured within 90 days of notice by the City, or failure of Developer to timely provide the reports and supporting information to the City within ten (10) days of notice from the City of Developer’s failure to timely provide such reports and supporting information, Developer shall remit and pay to the City an amount equal to 50% of the total cost incurred by the City in developing and constructing all of the Public Improvements referable to Phase I of the Project, which such payment obligation of Developer shall survive expiration of the Phase I Retail Testing Period if the default or failure occurred prior to the close of the Phase I Retail Testing Period.

(c) In the event commencement of construction of Phase I is delayed due to events of force majeure or a City Delay (hereinafter defined), each of the commencement date and completion date for such construction as set forth in subsection (a) of this Section 3.2 shall be extended by the time of such event or delay. In the event completion of construction of Phase I is delayed due to events of force majeure or City Delay, the completion date for such

construction as set forth in subsection (a) of this Section 3.3 shall be extended by the time of such delay.

3.3 Phase II. (a) The Developer shall (i) commence construction of Phase II of the Project, which is generally identified as being within the area designated within "P2A" "P2B" on Exhibit B hereto, on that portion of the Project Site depicted for such Phase in the Development Plan (the "Phase II Site") by January 1, 2019, and (ii) use its good faith efforts to complete construction of at least eighty percent (80%) of the aggregate square footage of the buildings located in Phase II on the Phase II Site in accordance with the requirements of this Section 3.3 within twenty (20) months thereafter. Phase II shall include construction of the retail, commercial/office, amenities, hotel, and multi-family uses and square footages as depicted for such Phase in the Development Plan.

(b) The Developer agrees that at all times during the Phase II Retail Testing Period the retail and/or restaurant tenants or occupants comprising at least seventy percent (70%) of the leased or owned Phase II retail square footage shall be retail or restaurant enterprises that did not relocate into the Project from inside the market area depicted on Exhibit D hereto, unless listed in the Existing Mall Tenants List (the "Phase II Retail Space Square Footage Tenant Requirement"). As used herein, "Phase II Retail Testing Period" shall mean the period ending thirty-seven (37) months after (1) completion of construction of eighty percent (80%) of the aggregate square footage of construction of the buildings located in Phase II, or (2) if at least eighty percent (80%) of the aggregate square footage of construction of the buildings located in Phase II have not been completed by the 5th anniversary of the Effective Date, the 5th anniversary of the Effective Date if elected by the City within 10 days of said 5th anniversary.

The Developer agrees to provide to the City, on each Testing Date following commencement of the Phase II Retail Testing Period, reports and such supporting or other information as the City shall reasonably require showing, as of each Testing Date (i) the total amount of Phase II retail and/or restaurant square footage then constructed, (ii) the total amount of Phase II retail and/or restaurant square footage then leased and/or occupied by retail and restaurants, and (iii) the name and identity of each lessee and/or, if not leased, owner, of such space, and the amount of square footage leased by each lessee or, if not leased, owned by such owner. As used in this Section 3.3(b), "Testing Date" shall be the last calendar day of the sixth (6th) full calendar month immediately following commencement of the Phase II Retail Testing Period, and the last calendar day of each set of consecutive sixth calendar months immediately thereafter (each such set of six calendar months, a "Subsequent Semiannual Period") through and including the last day of the fifth (5th) Subsequent Semiannual Period for a total of six (6) Testing Dates. By way of example, if the Phase II Retail Testing Period began on January 8, 2017, the Testing Dates would be as follows:

Testing Date 1	July 31, 2017
Testing Date 2	January 31, 2018
Testing Date 3	July 31, 2018
Testing Date 4	January 31, 2019
Testing Date 5	July 31, 2019
Testing Date 6	January 31, 2020

Upon a default by the Developer of this Section 3.2(b) to satisfy the Phase II Retail Space Square Footage Tenant Requirement as of any Testing Date, which such default is not cured within 90 days of notice by the City, or failure of Developer to timely provide the reports and supporting information to the City within ten (10) days of notice from the City of Developer's failure to timely provide such reports and supporting information, Developer shall remit and pay to the City an amount equal to 50% of the total cost incurred by the City in developing and constructing all of the Public Improvements referable to Phase II of the Project, which such payment obligation of Developer shall survive expiration of the Phase II Retail Testing Period if the default or failure occurred prior to the close of the Phase II Retail Testing Period.

(c) In the event commencement of construction of Phase II is delayed due to events of force majeure or City Delay, each of the commencement date and completion date for such construction as set forth in subsection (a) of this Section 3.3 shall be extended by the time of such delay. In the event completion of construction of Phase II is delayed due to events of force majeure or City Delay, the completion date for such construction as set forth in subsection (a) of this Section 3.3 shall be extended by the time of such delay.

3.4 Phase III. (a) The Developer shall (i) commence construction of Phase III of the Project, which is generally identified as being within the area designated within "P3A" and P3B" on Exhibit B hereto, on that portion of the Project Site depicted for such Phase in the Development Plan (the "Phase III Site") by January 1, 2021, and (ii) use its good faith efforts to complete at least eighty percent (80%) of the aggregate square footage of construction of the buildings located in Phase III on the Phase III Site in accordance with the requirements of this Section 3.4 within twenty (20) months thereafter. Phase III shall include construction of the retail, commercial/office, amenities, hotel, and multi-family uses and square footages as depicted for such Phase in the Development Plan.

(b) In the event commencement of construction of Phase III is delayed due to events of force majeure or City Delay, each of the commencement date and completion date for such construction as set forth in subsection (a) of this Section 3.4 shall be extended by the time of such delay. In the event completion of construction of Phase III is delayed due to events of force majeure or City Delay, the completion date for such construction as set forth in subsection (a) of this Section 3.4 shall be extended by the time of such delay.

3.5 Construction of Project. (a) All improvements within the Project shall be constructed by the Developer in accordance with and as set forth in the Development Plan.

(b) As used in this Agreement (i) "City Delay" shall mean any default by the City of its obligations under this Agreement that will directly delay performance by the Developer of its construction and development obligations hereunder and for which a Notice of Delay (as hereinafter defined) shall have been timely provided by the Developer to the City as set forth in Section 3.5(c) hereof; (ii) the phrase "complete", "completed" or "completion", as used with respect to construction of any improvements within a Phase of the Project shall be deemed to have occurred at such time as a certificate of occupancy shall have been delivered for such improvements; (iii) "commencement of construction" or "commenced construction" shall be deemed to have occurred at such time as, with respect to the improvements to be constructed,

the Developer has caused to be poured and completed the foundation and all footings for the improvements; (iv) “force majeure” shall mean acts of the public enemy, acts of terrorism, acts of any government in either its sovereign or proprietary capacity (other than acts taken by the City in accordance with this Agreement), fires, floods, hurricanes, epidemics, quarantine restrictions, freight embargoes, strikes, or unusually severe weather (not including normal seasonal inclement weather) for which a Notice of Delay (as hereinafter defined) shall have been timely provided by Developer to the City as set forth in Section 3.5(c) hereof; and (v) the phrase “Nationally Recognized Construction Firm” shall mean a construction firm that has the performance record, net worth and reputation such that it is regularly not required to post payment and performance bonds for projects similar to the Phase (or portion thereof) of the Project to be constructed and as reasonably approved by the City, with the Mayor and Director of Urban Development herein authorized to act on behalf of the City for such purpose.

(c) The Developer agrees that within ten (10) days of an event of force majeure or City Delay, the Developer shall give the City written notice (a “Notice of Delay”) containing a description of such event of force majeure or City Delay, an explanation of how the Developer anticipates such event of force majeure or City Delay will affect the Developer’s performance under the Agreement, what actions the Developer plans to undertake in order to address the conditions caused by the event of force majeure or City Delay, and an estimate of how long the Developer anticipates the event of force majeure or City Delay will delay the Developer in meeting its commitments under the Agreement.

(d) The City hereby covenants and agrees not to unreasonably withhold, condition or delay issuance of certificates of occupancy for any of the improvements within the Project.

3.6 Developer Internal Roadways. The Developer may, in its sole discretion, construct certain other internal roadways on the Project Site (the “Developer Internal Roadways”) and may further, in its sole discretion, dedicate the Developer Internal Roadways to the City pursuant to a general warranty deed; provided, that the City shall not be obligated to accept such dedication unless the Developer Internal Roadways are designed and constructed in accordance with all applicable laws, ordinances, rules and regulations in effect as of the time of such dedication.

3.7 Declaration of Restrictive Covenants. The Developer hereby understands, acknowledges, and agrees that the commitments of the City herein stated are being made primarily to attract individuals who desire to live, work, and play in a modern mixed-use, “live-work-play” environment, and that such objective would not be fully realized should the Project Site be used for other uses. Accordingly, the Developer shall record in the Office of the Judge of Probate of Madison County, Alabama, a declaration of restrictive covenants, the form and content of which shall be mutually acceptable to the Developer and the City (the “Declaration”), which shall (a) require that the Development Plan and any amendments thereto be approved by the City; (b) establish certain use restrictions and heightened design and development standards for each of the Phases comprising the Project, which use restrictions and heightened design and development standards shall be binding on the Project Site for a period of twenty (20) years; and (c) provide for such other restrictive covenants and easements as may be necessary and desirable for the implementation and construction of the Project in accordance with the Development Plan

and for the operation of the Project within the Plan Area. To the extent not terminated as a result of the City's exercise of its rights under the Plan, Developer shall further cause to be released that certain Construction Operating and Reciprocal Easement Agreement between Madison Square Associates, Ltd. (Developer being the successor in interest to Madison Square Associates, Ltd.) and various other parties dated June 27, 1983 ("COREA Agreement"), and specifically including those easements set out in Article IV - Reciprocal Common Area Easements therein, which COREA Agreement is recorded at Volume 617, Pages 190 – 263, in the Probate Court of Madison County, Alabama.

3.8 Phase IV; Multi-Family Improvements; Additional Facilities and Improvements.

(a) The Developer hereby agrees to cause construction and development of Phase IV within a reasonable time following or prior to completion of Phase III and, within such Phase, to cause to be constructed and completed whatever portion of the 560 units of multi-family improvements within the Development Plan that are not constructed as part of Phase II and Phase III of the Project to be constructed and developed.

(b) The Developer hereby agrees that any other commercial, retail or other vertical improvements of the Project not covered within the Phases heretofore described but included in the Development Plan shall be constructed in accordance with the design and development standards and other features and elements for such improvements set forth in the Development Plan.

ARTICLE IV PROPERTY ACQUISITION FOR PUBLIC IMPROVEMENTS

4.1 General. The City hereby covenants and agrees to expedite, whether by purchase or through other actions taken under Alabama law, the acquisition of the Priority Zone 1 property as identified in the Plan for necessary Public Improvements pursuant to the City obligations in this Agreement (such properties, collectively, the "Acquired Properties" and, individually, an "Acquired Property"). Anything in this Agreement to the contrary notwithstanding, the City shall not be obligated or required hereunder or otherwise to purchase or acquire an Acquired Property at a price beyond what the City reasonably believes is fair, reasonable and acceptable for the same, whether such price is set by the offeree, a court or other regulatory or governmental body, or otherwise.

4.2 Appraisals/Offer to Purchase. Within sixty (60) days of the Effective Date, the City shall (i) complete appraisals of all of the Acquired Properties and (ii) make an offer to purchase the Acquired Properties to the owners thereof (collectively, the "Offerees") in accordance with § 18-1A-21 and § 18-1A-22, Code of Alabama 1975, as amended ("Offer to Purchase").

4.3 Certain Actions. (a) If, within thirty (30) days following the delivery of the Offer to Purchase to the Offerees (the "Offeree Period"), an owner of an Acquired Property accepts an Offer to Purchase such property (such property, "Sale Property"), the City shall enter an agreement with the owner thereof pursuant to which the City shall close on the purchase of the Sale Property within such timeframe and on such conditions as shall be set forth in such

agreement (which such closing the Developer understands may be conditioned upon the closing of the other Acquired Properties).

(b) Should any owner of an Acquired Property not accept the Offer to Purchase from the City within the Offer Period, then within thirty (30) days after the Offer Period the City shall pursue rights and powers afforded under Alabama law to acquire such property.(c) The City shall use its good faith efforts to timely prosecute all actions in a timely manner and in accordance with the laws of the State of Alabama.

(d) The City shall notify the Developer upon its receipt of fee simple title to all of the Acquired Property including, with respect to Acquired Property not obtained pursuant to Section 4.3(a), the entry of any final, non-appealable judgments vesting title in the City with respect to such Acquired Properties and with a purchase price for the land respecting the same that the City believes is fair, reasonable and acceptable in its sole discretion (the "Final Order").

(e) In the event the City, after using its good faith efforts, is unable to obtain a Final Order vesting title in the City with respect to any of the Acquired Properties not constituting Sale Property or otherwise acquired by the City in the manner hereinabove set forth, then the City shall not be obligated to construct any of the Public Improvements or acquire any real property unless otherwise agreed to by the Mayor or Director of Urban Development of the City, herein authorized to act on behalf of the City for such purpose provided such authorization for the Mayor or Director of Urban Development to so act on behalf of the City for this purpose shall be limited to (i) at least ten (10) acres of the Acquired Properties being acquired by the City and (ii) such officer certifies that the Public Improvements can be developed in a manner so as to achieve substantially similar public benefits as in the Plan and that the intent and spirit of the Plan can be achieved with the City obtaining less than all of the acreage constituting the Acquired Properties.

4.4 Real Property for Public Improvements and Property Exchange. In order to enable the City to construct and develop certain portions of the Phase I Public Improvements and the Phase II Public Improvements, the Developer hereby covenants and agrees to work in good faith with the City to identify and convey to the City fee simple title to those portions of real property within the Project Site upon which the Phase I Public Improvements referenced in the Phase I Public Improvements IFBs, the Phase II Public Improvements referenced in the Phase II Public Improvements IFBs, and the Phase III Public Improvements referenced in the Phase III Public Improvements IFBs will be constructed. The City agrees to work in good faith with the Developer to identify and convey to the Developer certain real property necessary for the Project and which such property the City shall have been able to determine has a value, together with other covenants and agreements of the Developer herein, that is fair, sufficient and reasonable in exchange for the property conveyed in furtherance of this Section 4.4 to the Developer for the Project. The Parties agree to use their good faith efforts to identify and determine the properties herein described during the respective Phase I, Phase II and Phase III Public Improvements Plans and Specifications preparation periods described in this Agreement.

ARTICLE V
OTHER AGREEMENTS AMONG PARTIES

5.1 Rezoning. The City, through its Department of Urban Development, agrees to work in good faith with the Developer in seeking the appropriate zoning classification or appropriate variances related to the Project Site to the extent rezoning or variances are needed in order to accomplish the Project.

5.2 Approvals. The City agrees to use reasonable good faith efforts to facilitate the processing of City approvals for the construction and development of the Project, it being the understanding of the Parties that nothing in this Section 5.2 or elsewhere in this Agreement is, or shall be deemed to be, an agreement of the City to waive any City approvals required for the Project.

5.3 Expenses of Project. The Developer shall be responsible for all costs of Project construction and for payment of its own fees with respect to the construction and development of the Project.

5.4 Compliance with Laws. (a) The Developer shall cause all construction activities to be conducted in compliance with all applicable laws, ordinances, rules and regulations of any governmental authority, including, without limitation, all applicable licenses, permits, building codes, restrictive covenants, zoning and subdivision ordinances and flood, disaster and environmental protection laws ("Applicable Laws"). It is expressly understood, acknowledged and agreed that approval by the City of the Development Plan as herein provided shall not be deemed an approval or waiver of any compliance by the Developer or the Project with any Applicable Laws.

(b) The Developer shall cause all agreements between it and any architect, contractor, subcontractor or other business performing any work in connection with the Project to require such architect, contractor, subcontractor or other business to obtain all necessary permits, licenses and approvals for such work. It is understood and acknowledged that the City will not waive or otherwise permit the waiver of any taxes, fees or related expenses, or fees for any permits, licenses or approvals that must be obtained from the City or any other governmental authority in connection with the Project that otherwise would be applicable.

5.5 Public Amphitheater. The Parties acknowledge that the City is undertaking a study to determine whether part of the Project Site would be a suitable location to construct a public amphitheater (the "Amphitheater") for public events, plays, concerts, and other similar events and would help promote commerce, entertainment, industry, tourism and overall quality of life in the City. If the City, in its sole discretion, determines to construct the Amphitheater the Parties shall work together in good faith to negotiate terms of a definitive agreement respecting the same including, but not limited to, such terms as may govern dedication by the Developer of any real property to be the site for the Amphitheatre, providing rights or access to such portions of the Project Site as shall be necessary for development of the Amphitheater, and providing sufficient parking in connection with the use of the Amphitheater.

ARTICLE VI
EVENTS OF DEFAULT AND REMEDIES

6.1 Events of Default by City. (a) Any one or more of the following shall constitute an event of default under this Agreement by the City (herein called a "City Event of Default") (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(i) the dissolution or liquidation of the City, or the filing by the City of a voluntary petition in bankruptcy, or the City's seeking of or consenting to or acquiescing in the appointment of a receiver of all or substantially all of its property, or the adjudication of the City as a bankrupt, or any assignment by the City for the benefit of its creditors, or the entry by the City into an agreement of composition with its creditors, or if a petition or answer is filed by the City proposing the adjudication of the City as a bankrupt or its reorganization, arrangement or debt readjustment under any present or future federal bankruptcy code or any similar federal or state law in any court, or if any such petition or answer is filed by any other person and such petition or answer shall not be stayed or dismissed within sixty (60) days; or

(ii) failure by the City to perform or observe any of its agreements or covenants contained in this Agreement, which failure shall have continued for a period of thirty (30) days after written notice thereof from the Developer, unless (A) the Developer shall agree in writing to an extension of such period prior to its expiration, or (B) during such thirty (30) day period or any extension thereof, the City has commenced and is diligently pursuing appropriate corrective action, or (C) the City is by reason of force majeure at the time prevented from performing or observing the agreement or covenant with respect to which the City is delinquent.

(b) If a City Event of Default exists, the sole and exclusive remedy of the Developer shall be specific performance. The Developer shall not be entitled to any other damages whatsoever, including, without limitation, incidental or consequential damages, whether arising at law or in equity.

6.2 Events of Default by Developer.

(a) Any one or more of the following shall constitute an event of default under this Agreement by the Developer (herein called a "Developer Event of Default") (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(i) at any time prior to the completion by the Developer of its obligations hereunder, the dissolution or liquidation of the Developer, or the filing by the Developer of a voluntary petition in bankruptcy, or the Developer's seeking of or consenting to or acquiescing in the appointment of a receiver of all or substantially all of its property, or the adjudication of the Developer as a bankrupt, or any assignment by the Developer for the benefit of its creditors, or the entry by the Developer into an agreement of composition with its creditors, or if a petition or answer is filed by the Developer proposing the adjudication of the Developer as a bankrupt or its reorganization, arrangement or debt readjustment under any present or future federal bankruptcy code or any similar federal or state law in any court, or if any such petition or answer is filed by any other person and such petition or answer shall not be stayed or dismissed within sixty (60) days;

(ii) failure by the Developer to perform or observe any of its agreements or covenants contained in this Agreement, which failure shall have continued for a period of thirty (30) days after written notice thereof from the City, unless (A) the City shall agree in writing to an extension of such period prior to its expiration, or (B) during such thirty (30) day period or any extension thereof, the Developer has commenced and is diligently pursuing appropriate corrective action, or (C) the Developer is by reason of force majeure at the time prevented from performing or observing the agreement or covenant with respect to which it is delinquent;

(iii) an event of default under the Declaration; or

(iv) a Change of Control of the Developer prior to completion of Phase I and Phase II of the Project that occurs without the prior written consent of the City (which such consent shall not be unreasonably conditioned, withheld or delayed).

(b) If a Developer Event of Default exists, in addition to the payment obligations of the Developer heretofore described, the City shall have all rights and remedies, both legal and equitable, provided by law, including without limitation the specific performance of any covenant or agreement of the Developer herein contained.

(c) As used in this Agreement, "Change of Control" means either (i) the acquisition by any Person of direct or indirect beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934) of fifty percent (50%) or more of the combined voting power of the then-outstanding securities, membership interests, or other interests of the Developer, however accomplished and whether effected voluntarily or by operation of law, or (ii) the consummation of a merger, consolidation, reorganization, statutory share exchange, or similar form of corporate transaction involving the Developer, the sale or other disposition of all or substantially all of the Developer's assets.

6.3 Remedies Subject to Applicable Law. All rights, remedies and powers provided in this Article VI may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article V are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that the same will not render this Agreement invalid or unenforceable.

ARTICLE VII
MISCELLANEOUS

7.1 Restrictions on Assignment; Conditions Precedent. Except as otherwise expressly set forth below in this Section 7.1, the Developer shall not have the right to assign or otherwise transfer its rights or obligations under this Agreement, and any purported assignment, transfer, encumbrance or hypothecation of this Agreement or any of the rights or obligations hereunder in violation of this Section 7.1 shall be null and void and of no force or effect. Notwithstanding the foregoing, if, and to the extent, permitted herein, the Developer may transfer its rights under this Agreement only upon the satisfaction of each of the following conditions precedent:

(a) The Developer shall be in compliance with all of its obligations hereunder as of the effective date of the proposed assignment;

(b) The proposed transferee shall be subject to the City's prior written approval; and

(c) Prior to the effective date of the proposed transfer, the Developer and proposed transferee have delivered to the City an executed and acknowledged assignment and assumption agreement ("Assumption Agreement") acceptable to the City. Such Assumption Agreement shall include provisions regarding: (i) the rights and interest proposed to be transferred to the proposed transferee; (ii) the obligations of the Developer under this Agreement that the proposed transferee will assume; and (iii) the proposed transferee's acknowledgment that such transferee has reviewed and agrees to be bound by this Agreement. The Assumption Agreement shall also include the name, form of entity, and address of the proposed transferee, and shall provide that the transferee assumes the obligations of the assigning Developer to be assumed by the transferee in connection with the proposed transfer.

7.2 Delivery of Notices. All notices, statements, demands, consents and other communications ("Notices") required or permitted to be given by any Party to another Party pursuant to this Agreement or pursuant to any applicable law or requirement of public authority shall be properly given only if the Notice is: (a) made in writing (whether or not so stated elsewhere in this Agreement); (b) given by one of the methods prescribed in Section 7.3; and (c) sent to the Party to which it is addressed at the address set forth below or at such other address as such Party may hereafter specify by at least five (5) days' prior written notice:

If to the City:

City of Huntsville
Attention: Mayor
308 Fountain Circle

P.O. Box 308
Huntsville, Alabama 35804
Fax: (256) 427-5121

With a copy to the attention of: City of Huntsville
Attention: City Attorney
308 Fountain Circle
P.O. Box 308
Huntsville, Alabama 35804
Fax: (256) 427-5043

If to the Developer: c/o Rex Commercial Properties, Inc.
4245 Balmoral Dr. SW, Suite 204
Huntsville, Alabama 35801
Fax: (855) 335-9636

with a copy to: Hartman Simons & Wood LLP
Attention: Jeremy D. Cohen, Esq.
6400 Powers Ferry Road NW, Suite 400
Atlanta, Georgia 30339
Fax: (770) 303-1172

7.3 Methods of Delivery of Notices. Notices may be either: (a) delivered by hand; (b) delivered by a nationally recognized overnight courier which maintains evidence of receipt; or (c) sent by facsimile transmission with a confirmation copy delivered the following day by a nationally recognized overnight courier which maintains evidence of receipt. Notices shall be effective on the date of receipt. If any Notice is not received or cannot be delivered due to a change in address of the receiving party, of which notice was not properly given to the sending party, or due to a refusal to accept by the receiving party, such Notice shall be effective on the date delivery is attempted.

7.4 Negation of Partnership. The parties specifically acknowledge that no Party is acting as the agent of the other Party in any respect hereunder, and that each Party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. None of the terms or provisions of this Agreement shall be deemed to create a partnership or joint venture between or among the Parties, or cause them to be considered joint venturers or members of any joint enterprise. This Agreement is not intended and shall not be construed to create any third party beneficiary rights in any person who is not a party or a permitted transferee pursuant to this Agreement; and nothing in this Agreement shall limit or waive any rights any one or more of the Parties may have or acquire against any third person with respect to the terms, covenants or conditions of this Agreement.

7.5 Dedications. (a) The City agrees to accept from Developer the public dedication of the Public Lakes, if the same shall have been designed, developed, constructed and equipped in accordance with applicable laws, rules, and regulations, at such time as (i) Developer shall have commenced construction of Phase I of the Project, and (ii) the City shall

have inspected the Public Lakes and confirmed the same satisfied the requirements of this Section 7.5 and are in good shape and condition.

(b) Except for the dedication of real property upon which Public Improvements are to be built by the City under Sections 1.2, 1.3 and 1.4 5 hereof, the dedication of the Public Lakes as set forth in paragraph (a) immediately above and, if applicable, the dedication of the Developer Internal Roadways under Section 3.6 hereof, nothing herein contained shall be deemed to be a gift or dedication of any of the real property described or referred to herein, or any buildings or improvements constructed thereon, to the general public, for the general public, or for any public use or purpose whatsoever.

7.6 Severability. Invalidation of any of the provisions contained in this Agreement, or of the application thereof to any Person, by judgment or court order, shall in no way affect any of the other provisions hereof or the application thereof to any other Person or circumstance and the same shall remain in full force and effect, unless enforcement of this Agreement as so invalidated would be unreasonable or grossly inequitable under all the circumstances or would frustrate the purposes of this Agreement.

7.7 Exhibits. The Exhibits, to which reference is made herein, are deemed incorporated into this Agreement in their entirety by reference thereto.

7.8 Amendment. Except as expressly provided in this Agreement, this Agreement may be modified or amended only by a written instrument, executed by each of the parties to this Agreement.

7.9 Entire Agreement. This written Agreement and the exhibits hereto contain all the representations and the entire agreement among the Parties with respect to the subject matter hereof. Except as otherwise specified in this Agreement, any prior correspondence, memoranda, agreements, warranties or representations are superseded in total by this Agreement and exhibits hereto. Neither the conduct nor actions of the Parties, nor the course of dealing or other custom or practice between or among the Parties or any of them, shall constitute a waiver or modification of any term or provision of this Agreement.

7.10 Ambiguity. The terms, conditions and provisions of this Agreement were agreed to in arm's length negotiations in which each Party was represented by independent counsel of its own choosing. Accordingly, in the event of any ambiguity in this Agreement, such ambiguity shall not be resolved against any Party deemed the principal draftsman of this Agreement or the provision of this Agreement at issue.

7.11 Further Assurances; Covenant to Sign Documents. Each party shall take all actions and do all things, and execute, with acknowledgment or affidavit if required, any and all documents and writings, which may be necessary or proper to achieve the purposes and objectives of this Agreement.

7.12 Governing Law. This Agreement, and the rights and obligations of the parties, shall be governed by and interpreted in accordance with the laws of the State of Alabama.

7.13 Counterpart Execution. For convenience, this Agreement may be executed by the parties in multiple counterparts, each of which shall constitute an original, and all of which, when taken together, shall constitute one and the same Agreement.

7.14 Liabilities of the City. The Developer understands, acknowledges and agrees that the obligations of the City as set forth herein are limited by the limitations imposed on public bodies, municipalities and public corporations by the Constitution of the State of Alabama and under other applicable Alabama law. Anything in this Agreement to the contrary notwithstanding, whether express or implied, in the event the Public Improvements, or any portion thereof, are not constructed or otherwise operational by such time as portions of the Project become available to be open to the public or by any other estimated or intended deadlines, or are designed or constructed in a manner not suitable to the Developer, its tenants, or any other persons or entities, the sole and exclusive remedy of the Developer shall be specific performance, and the Developer shall not be entitled to any other damages whatsoever, including, without limitation, incidental or consequential damages, whether arising at law or in equity.

7.15 No Waiver. No consent or waiver, express or implied, by any Party hereto or to any breach or default by any other Party in the performance by such other Party of its obligations hereunder shall be valid unless in writing, and no such consent or waiver to or of one breach or default shall constitute a consent or waiver to or of any other breach or default in the performance by such other Party of the same or any other obligations of such Party hereunder. Failure on the part of any Party to complain of any act or failure to act of any other Party or to declare such other Party in default, irrespective of how long such failure continues, shall not constitute a waiver by such Party of its rights hereunder. The granting of any consent or approval in any one instance by or on behalf of any Party hereto shall be construed to waive or limit the need for such consent in any other or subsequent instance.

7.16 No Representations or Warranties Concerning Public Improvements. The Developer acknowledges and agrees that the City makes no and disclaims any and all representations and warranties regarding the Public Improvements, including, without limitation, warranties (whether express or implied) regarding the design, construction, functionality, and suitability of the Public Improvements. The Developer further acknowledges and agrees that, pursuant to Article I hereof, it is obligated to review and approve the Plans and Specifications and IFBs regarding the Public Improvements and that such review and approval shall forever estop the Developer from asserting liability of the City for any claimed representations or warranties regarding the Public Improvements.

7.17 Designation of Coordinators. Each of the City and the Developer agree to designate one or more project coordinators to monitor and coordinate the acquisition, design, permitting, and construction of the Phases and the Public Improvements in accordance with this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered on its behalf by its duly authorized officer, on and as of the Effective Date.

CITY OF HUNTSVILLE

By:

Mayor

MID-CITY OWNER, LLC, a Delaware limited liability company

By: _____

Name: _____

Its: _____

EXHIBIT A

DESCRIPTION OF PROJECT SITE

[See attached]

Exhibit A
Redevelopment Project Site
Priority Zone 1 – Project 1

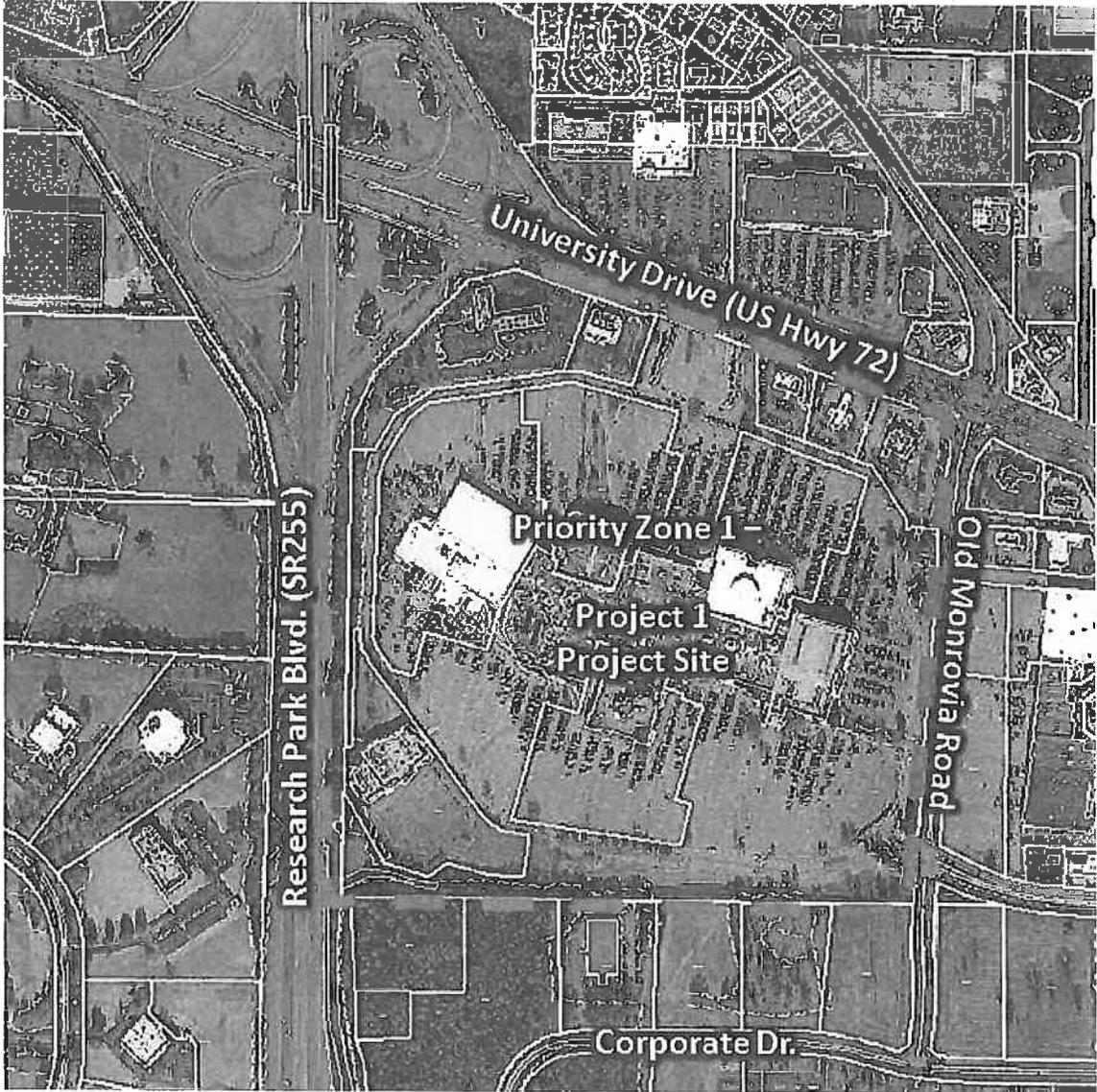


EXHIBIT B

DEVELOPMENT PHASING

[See attached]

Development Phasing

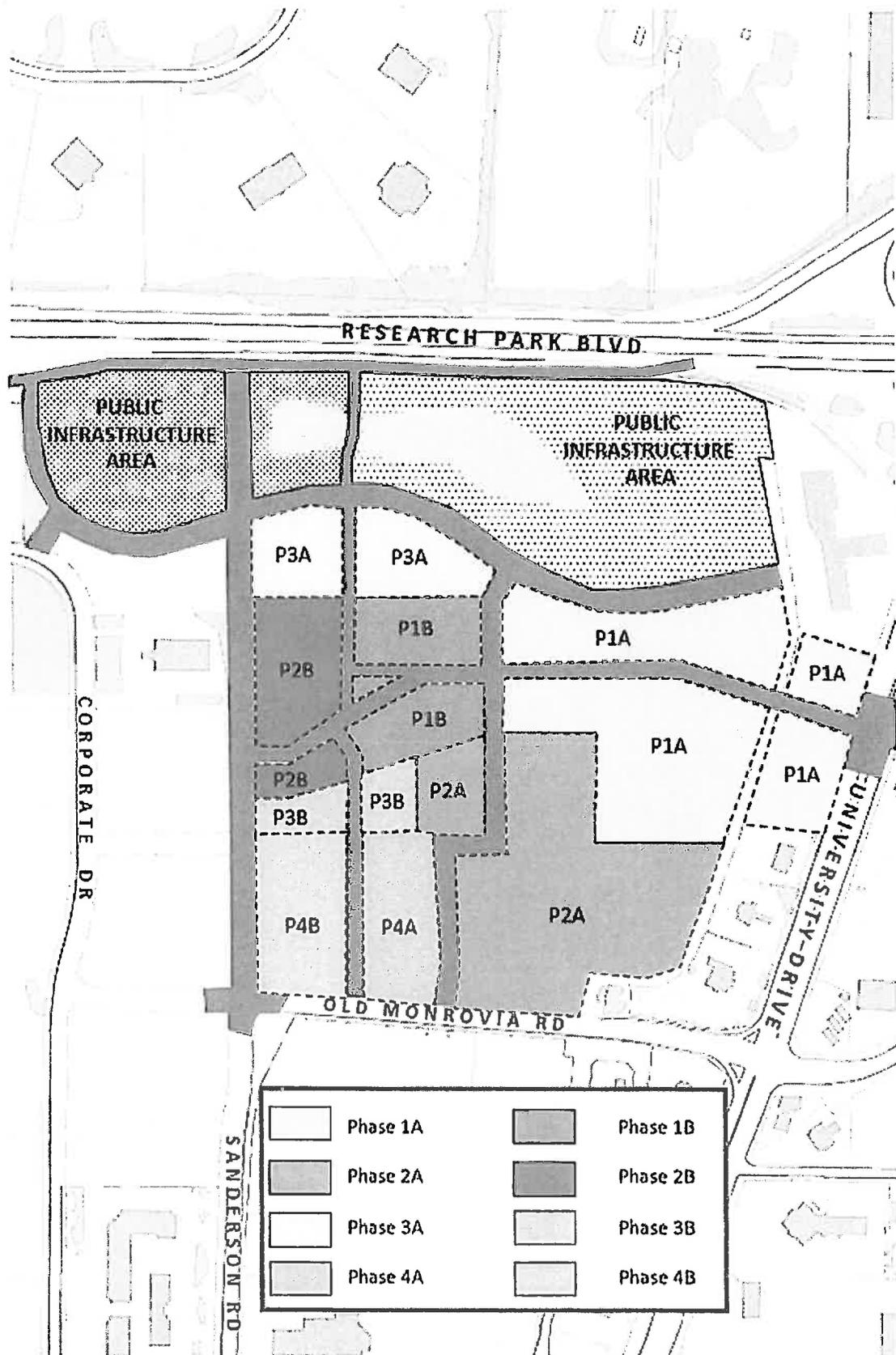
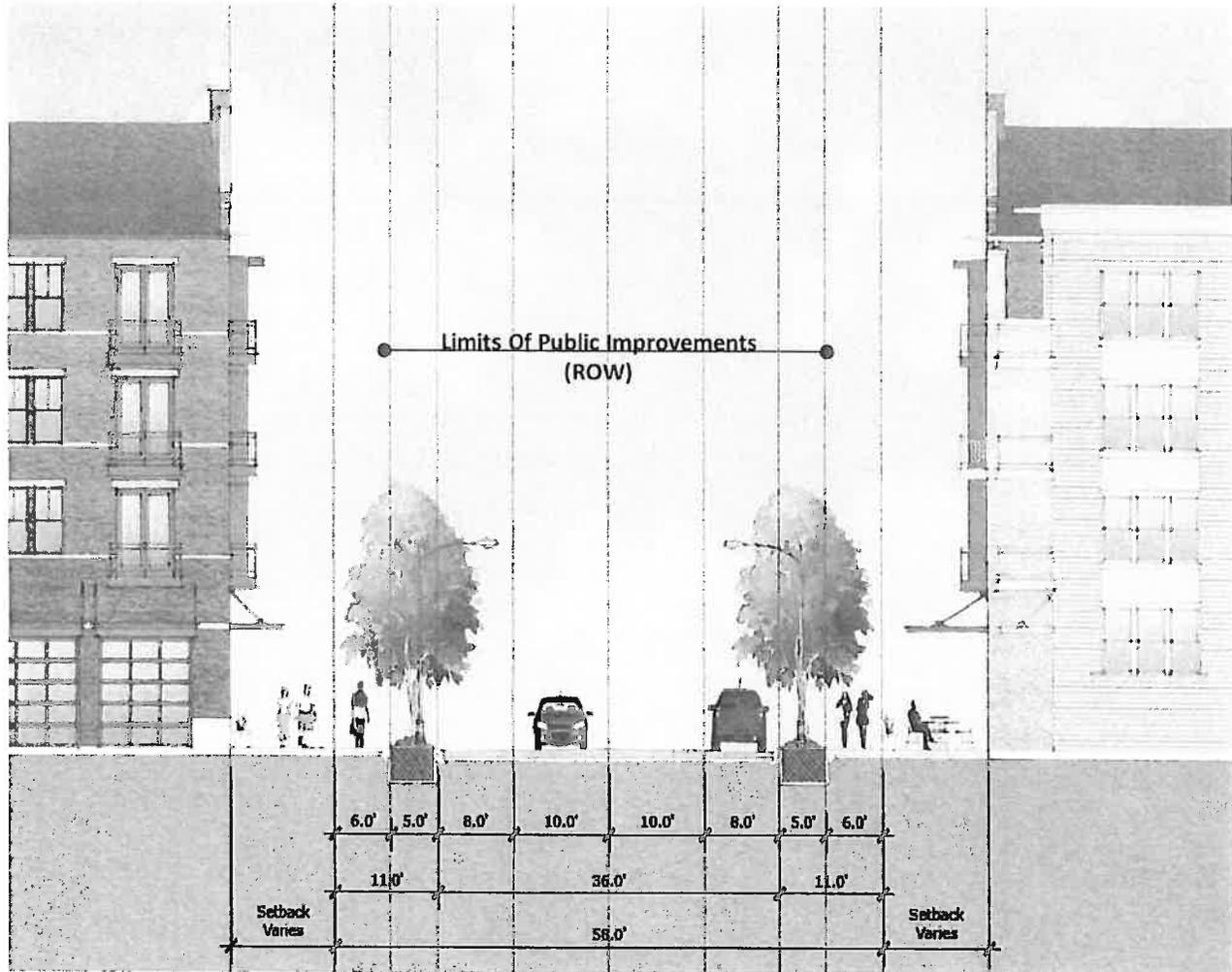


EXHIBIT C-1

ROADWAY IMPROVEMENTS CROSS SECTION LIMITATION

[See attached]

Roadway Improvements Cross Section Limitation



A. MIXED-USE STREET WITH PARALLEL PARKING

- Overall public street width will vary depending on travel lanes required and location within development.
- On Street public parking may include: parallel, angle, and/or head-on parking.
- Public Improvements shall be limited to 6 feet outside back of curb for all cross sections.
- Public Improvements may include: travel lanes, public parking, bike lanes, street lighting, streetscape components, public art, and utilities.

EXHIBIT C-2

PUBLIC IMPROVEMENTS LOCATION

[See attached]

Public Improvements Location

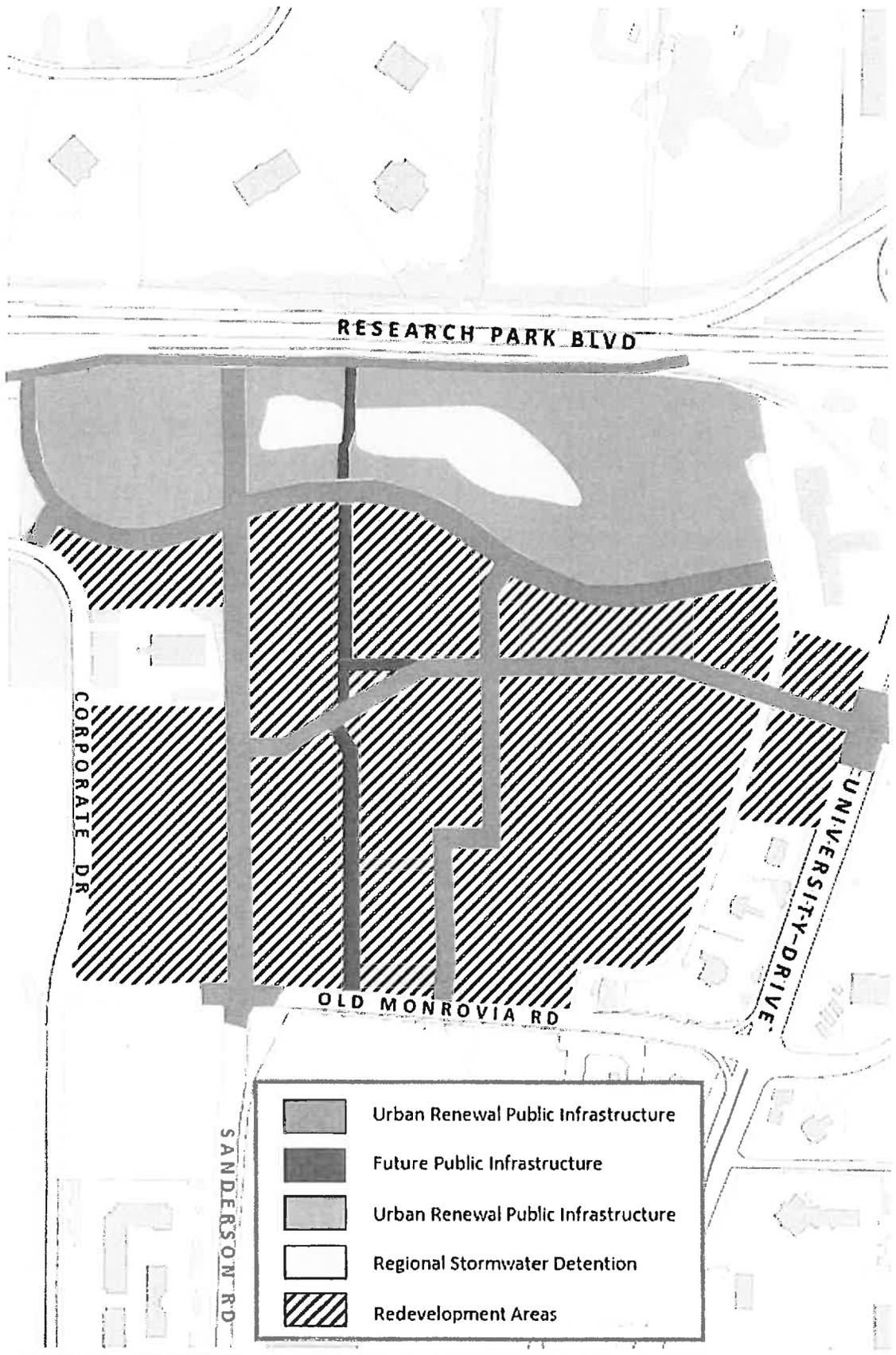


EXHIBIT C-3

CULVERT RELOCATION PLAN

Culvert Relocation Plan

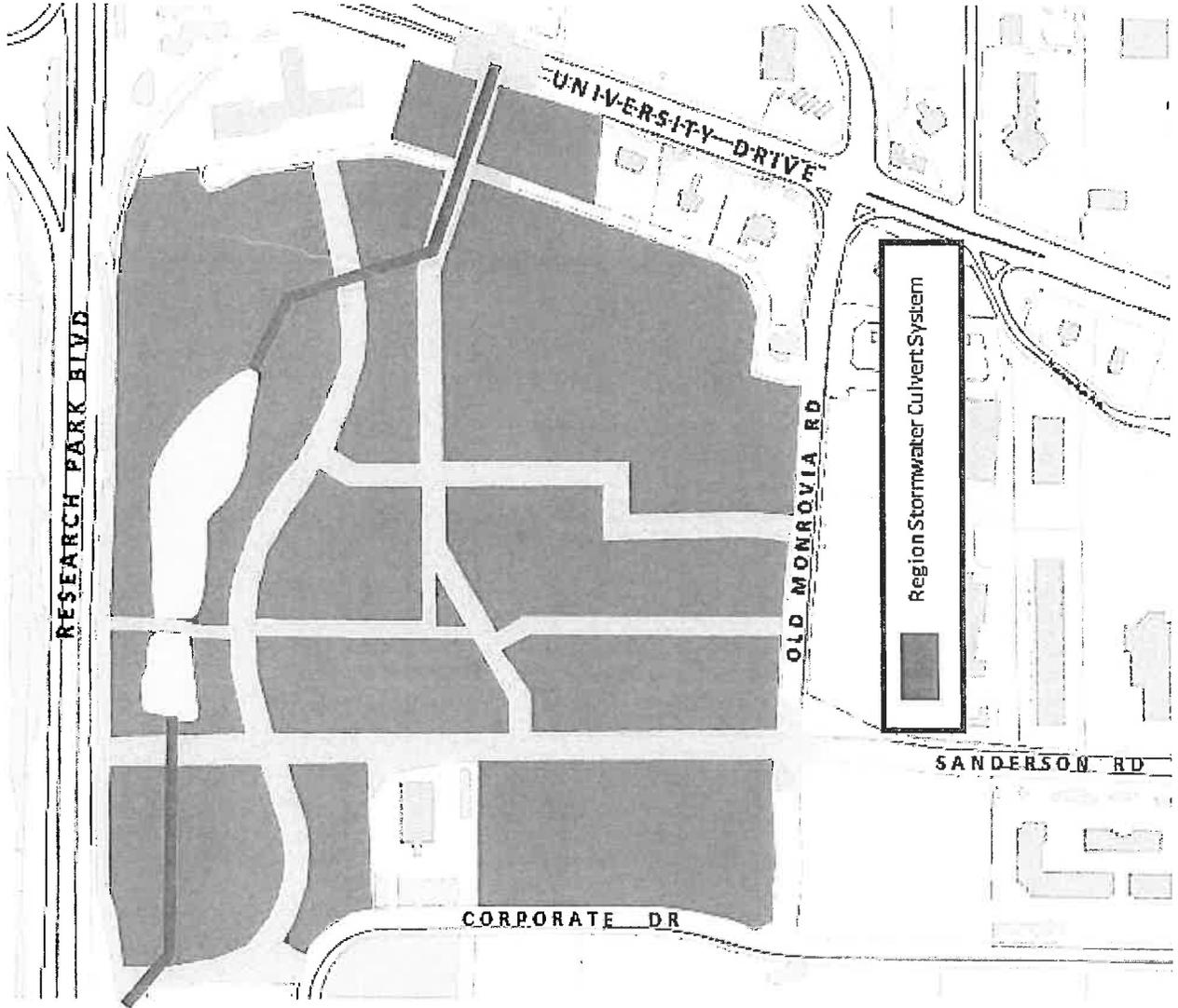


EXHIBIT D
MARKET AREA

[See attached]

Exhibit E

Market Area

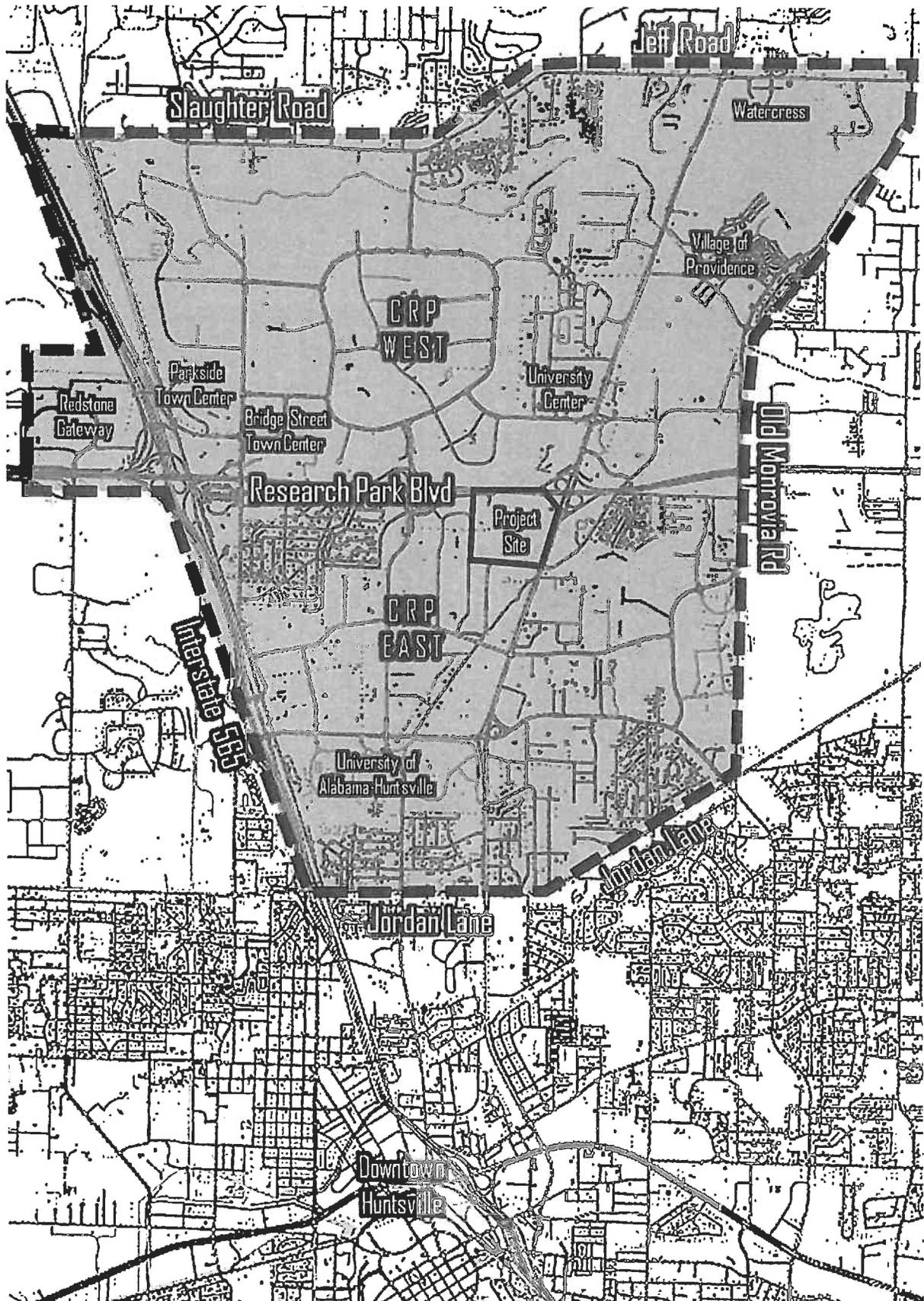


EXHIBIT E

THE PLAN

RESOLUTION NO. 16-87

WHEREAS, in 1989 the City Council of the City of Huntsville (the "City") adopted a comprehensive land use plan under Ordinance No. 63-93, as amended, known as "The Zoning Ordinance of the City of Huntsville, Alabama" (the "Zoning Ordinance"); and

WHEREAS, beginning in 2013 the City started the process of developing, and after conducting numerous public hearings, is close to completing the "Comprehensive Master Plan for the City of Huntsville", also known as The Big Picture, for adoption by the City Council of the City in 2016 (herein referred to as the "Master Plan"); the Master Plan has been developed in cooperation with community stakeholders and the citizens of Huntsville evaluating numerous community characteristics such as: neighborhood stability, transportation networks, commercial corridor strength and weaknesses, public and open space opportunities, and the overall quality of life conditions of Huntsville; and

WHEREAS, in 1983 the City developed the "Cummings Research Park Master Plan", as amended, (herein referred to as the "Cummings Research Park Plan"); the Cummings Research Park Plan was developed in cooperation with the Cummings Research Park Board, Huntsville/Madison County Chamber of Commerce, and various corporate partners in Cummings Research Park to ensure a healthy environment within the park and surrounding area; and

WHEREAS, Cummings Research Park is divided by Research Park Boulevard into two sections, Research Park West and Research Park East; and

WHEREAS, in developing the Master Plan and Cummings Research Park Plan the City of Huntsville determined that portions of Cummings Research Park have experienced a decline, particularly in Research Park East, exhibiting deteriorating conditions hindering potential redevelopment opportunities; and

WHEREAS, the City of Huntsville Department of Urban Development has developed and prepared the "Research Park East Urban Renewal and Redevelopment Plan 2016" (herein the Research Park East Plan") which is attached hereto as Attachment A, and incorporated by reference as if set out fully herein, and is on file with the City Clerk; and

WHEREAS, property identified on Exhibit A to the Research Park East Plan which is incorporated by reference as if set out fully herein (herein the "Plan Area") is located within the boundaries of the Master Plan and Cummings Research Park Plan; and

WHEREAS, the Research Park East Plan and the boundaries of the Plan Area have been developed pursuant to Chapters 2 and 3 of Title 24 of the Code of Alabama 1975; and

WHEREAS, the Research Park East Plan sets forth the Plan Area and makes findings that the Plan Area contains blighted properties and other blighting factors that mandate renewal and redevelopment, and

WHEREAS, the Research Park East Plan contemplates that the City acquire, by contracting to purchase, obtaining options to purchase, or by exercising the power of eminent domain, properties identified in the acquisition area set out in Exhibit B to the Research Park East Plan which is incorporated by reference as if set out fully herein (the "Acquisition Area"); and

WHEREAS, the City Council of the City deems it necessary and in the public interest that the Research Park East Plan be adopted and approved to establish and undertake those urban renewal and redevelopment activities in the Plan Area as described in the Research Park East Plan.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Huntsville, as follows:

ARTICLE I

FINDINGS

The City Council of the City of Huntsville makes the following findings as the basis for the undertakings on its part herein contained:

1.1 That the Plan Area described in the Research Park East Plan is an area which is blighted, contains blighting factors, or is in the process of becoming blighted.

1.2 That the Plan Area described in the Research Park East Plan contains areas, buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangements or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use, obsolete layout, diversity of ownership or unusual conditions of title and underutilization, which, in combination with these and other factors, are detrimental to the safety, health, morals or welfare of the community.

1.3 That over the past five years, the Plan Area has experienced a dramatic decrease in property values; increases in property vacancies; business relocations; and a tremendous increase in crime related activities with The Madison Square Mall area alone has experiencing a seventy (70%) decrease in property values due to blighting conditions.

1.4 That in 2015, the Plan Area logged 1,475 "Calls for Service" by the Huntsville Police Department necessitating excessive and disproportionate expenditure of public funds for crime prevention.

1.5 That property vacancy rates in the Plan Area are also at an all-time high and as shown in the Research Park East Plan City evaluations of vacant structures/units for the Priority 1 Zone (defined therein) were determined to be at 85% (only 15% occupied) with additional Plan Priority Zones having experienced similar blighting conditions on a varying scale.

1.6 That the blighting factors existing on the Plan Area impair economic values and tax revenues and, if the Plan Area is not renewed and redeveloped, constitute a threat to the health safety, morals or welfare of the residents of the City.

1.7 That the Research Park East Plan will not result in the relocations of any permanent residents in the Plan Area.

1.8 That the renewal and redevelopment of the Plan Area will prevent and reduce the causes of blight and blighting factors in the Plan Area and that such redevelopment and renewal activities are public uses and purposes for which public money may be spent and private property acquired.

1.9 That the implementation of the Research Park East Plan will provide needed public improvements such as streets, utilities, lighting, sidewalk and curb improvements, parks, plazas, and landscaping creating an attractive environment for pedestrians and the general public.

1.10 That the implementation of the Research Park East Plan will promote sound growth of the community and stimulate construction and general economic activity for furtherance of the aims and objectives of the Zoning Ordinance, Master Plan, Cummings Research Park Plan, and Research Park East Plan.

1.11 That the implementation of Research Park East Plan will assist in the conservation and rehabilitation of the Plan Area and will assist in the elimination and prevention of blight and blighting factors as hereinabove enumerated.

1.10 That the renewal and redevelopment of the Plan Area is for a public use and that the necessity for said renewal, redevelopment and implementation of the Research Park East Plan is in the public interest.

1.11 That the Research Park East Plan conforms with and implements the Zoning Ordinance, Master Plan and Cummings Research Park Plan.

1.12 That the renewal and redevelopment of the Plan Area, in accordance with the Research Park East Plan as hereby adopted and approved by this Resolution, in addition to eliminating blighting factors in the Plan Area, will have a favorable impact upon the

reduction of blight, blighting factors and the causes of blight beyond the boundaries of the Plan Area.

1.13 That it is necessary and in the public interest that the City acquire or cause to be acquired such part or all of the real property in the Acquisition Area set out in Exhibit B of the Research Park East Plan, as it deems necessary, convenient or proper to implement the Research Park East Plan as an urban renewal and redevelopment project pursuant to Chapters 2 and 3, Title 24 of the Code of Alabama 1975, and to provide for the renewal of said property pursuant to this Resolution.

ARTICLE II

ADOPTION AND IMPLEMENTATION OF THE RESEARCH PARK EAST PLAN

The Research Park East Plan is hereby adopted and approved by the City Council of the City as follows:

2.1 That the provisions of the Research Park East Plan shall apply to the Plan Area.

2.2 That to implement the Research Park East Plan, the City through the office of the Mayor may negotiate contracts with such redeveloper or redevelopers (the "Redeveloper") as it deems necessary, convenient and proper to develop all or any part of the Plan Area in accordance with the requirements set out herein and in the Research Park East Plan. Any contract with a Redeveloper shall be subject to the approval of the City Council of the City and shall amend the Research Park East Plan. This Resolution does not create any partnership, joint venture or principal-agent relationship between the City and any Redeveloper.

2.3 That the City shall proceed to implement the Research Park East Plan in accordance with all of the terms and provisions set forth therein, including but not limited to, the development of the Research Park East Plan in accordance with any applicable land use plan, the imposition of building requirements, the provision of public improvements, acquisition of property, and the demolition and removal of improvements and the disposition of property as set forth therein.

2.4 That it is necessary and expedient and in the public interest for the implementation of the Research Park East Plan, that the City acquire by purchase or by the exercise of its right of eminent domain the fee simple title in and to all of such interests in the property in the Acquisition Area as it deems necessary, convenient and proper to carry out the purposes of the Research Park East Plan.

2.5 That the City has determined to acquire by purchase or by condemnation the property, or any portion thereof, in the Acquisition Area for the purposes set out herein, and to take all actions

necessary to carry out and effectuate the terms of the Research Park East Plan.

2.6 That the various departments of the City are directed to perform any and all actions necessary, advisable, convenient or expedient to the implementation of the Research Park East Plan and the implementation and effectuation of the purposes of the Research Park East Plan, as consistent with applicable Alabama law.

ARTICLE III

MISCELLANEOUS

3.1 The article and section headings herein are for convenience only and shall not affect the construction hereof.

3.2 If any section, sentence, paragraph, clause, phrase or word of this Resolution or the attached Research Park East Plan is for any reason held or declared to be unconstitutional, inoperative or void, such holding of invalidity shall not affect the remaining portions of this Resolution and the attached Research Park East Plan, and they shall be construed without such unconstitutional, invalid or inoperative part therein, and the remainder of this Resolution and attached Research Park East Plan shall be deemed and held to be valid as if such parts had not been included therein.

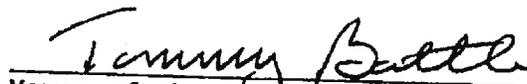
3.3 By adoption of this resolution, the City Council intends that the City of Huntsville shall exercise all powers and authority granted by and consistent with the provisions of Chapters 2 and 3 of Title 24 of the Code of Alabama 1975, and all other provisions applicable by state law.

ADOPTED this the 11th day of February, 2016.



President of the City Council of the
City of Huntsville, Alabama

APPROVED this the 11th day of February, 2016.



Mayor of the City of Huntsville,
Alabama

ATTACHMENT A



HUNTSVILLE
The Star of Alabama

RESEARCH PARK EAST

**Urban Renewal
and
Urban Redevelopment Plan**

2016

Prepared by the
Department of Urban Development

A handwritten signature in black ink, appearing to read "Will Coker", is written over a horizontal line.

President of the City Council of the
City of Huntsville, Alabama
Date: 2/11/2016

RESEARCH PARK EAST URBAN RENEWAL/REDEVELOPMENT PLAN

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RESEARCH PARK EAST

Urban Renewal and Urban Redevelopment Plan

INTRODUCTION

In 2013, the City of Huntsville, in cooperation with the Huntsville Planning Commission, Community Stakeholders, and the citizenry of Huntsville (*thru numerous Public Engagement Meetings*), undertook the process of developing a Comprehensive Master Plan for the City of Huntsville. The Comprehensive Master Plan, referenced herein as *The Big Picture*, focused on the overall condition of the community in various aspects. *The Big Picture* evaluated several community characteristics such as: neighborhood stability, transportation networks, commercial corridor strength/weakness, public and open space opportunities, and the overall quality of life conditions of Huntsville.

In addition to *The Big Picture*, the City of Huntsville also began the process of updating the *Cummings Research Park Master Plan* in 2015. Cummings Research Park (CRP) is well known as the primary economic driver for Madison County and surrounding areas of North Alabama. As the second largest Research and Development Park in the United States, Cummings Research Park provides over 35,000 direct jobs and supports over 38,000 indirect jobs in the research and development business sector. Cummings Research Park is divided into two (2) sections – Research Park West and Research Park East, with Research Park Boulevard being the divisor of the two sections. As the economic engine of North Alabama it is critical that Huntsville maintains a healthy environment within the park and the surrounding area. The updating of the *Cummings Research Park Master Plan* was developed in cooperation with the CRP Board, Huntsville/Madison County Chamber of Commerce, and the various corporate partners located within Cummings Research Park.

Through the process of developing these updated master plans, it became evident that portions of Cummings Research Park possessed new development and redevelopment potential, but has experienced significant decline in areas, predominantly in Research Park East, that has created overall deteriorating and deteriorated conditions within the area. These conditions must be addressed for the overall sustainability of Research Park and the Huntsville community.

This Research Park East Urban Renewal/Redevelopment Plan (*the Plan*) addresses recommendations regarding redevelopment, rehabilitation and conservation of the Research Park East area. As a part of the Plan's adoption process, a public hearing of the Plan will be scheduled by the Huntsville City Council to consider and approve the Plan's recommendations.

URBAN RENEWAL/REDEVELOPMENT STATUTES

In undertaking the Plan, the City evaluated the Plan Area to determine if it qualifies as an urban renewal/redevelopment project area under *Ala. Code 1975 §24-2-1, et seq* (Redevelopment Projects) and *Ala. Code 1975 §24-3-1, et seq* (Urban Renewal Projects). Determining whether an area is blighted is a key issue of these statutes.

Blight is defined in multiple ways. Blight may be buildings or improvements that are underutilized, dilapidated, obsolete, overcrowded, faultily arranged or designed, or are lacking of ventilation or light. Blight can also be deleterious land uses or obsolete layouts, aging infrastructure, economically depressed areas, high vacancies, diversity of ownership or unusual conditions of title, underutilization or any combination of these or other factors, considered detrimental to the safety, health, morals or welfare of the community.

The objective of an Urban Renewal/Redevelopment Plan is to correct blighted conditions, adverse land use patterns and depressed economic conditions through implementation of a variety of conservation, rehabilitation, acquisition, clearance and redevelopment actions designed to provide a sound economic and physical environment. Through evaluation of the Research Park East area, it has been determined that blighting factors exists that are impairing the safety, health, morals, and economic stability of the community.

Over the past five years, the Plan Area has experienced a dramatic decrease in property values; increases in property vacancies; business relocations; and a tremendous increase in crime related activities. The Madison Square Mall area alone has experienced a 70% decrease in property values due to blighting conditions (**Priority 1 Zone –see Exhibit D**). In 2015, this same area experienced 1,475 "Calls for Service" by the Huntsville Police Department. Property vacancy rates are also at an all-time high for the area. City evaluations of vacant structures/units for this Priority 1 Zone were determined to be at 85% (*only 15% occupied*). The additional Plan Priority Zones (**see Exhibit D**) have experienced similar blighting conditions on a varying scale.

If the Plan Area is not renewed and redeveloped, the current conditions will further the spread of blight and constitute a threat to the health, safety, morals, and/or welfare of the residents of the City of Huntsville.

PLAN AREA DESCRIPTION

The Plan Area consists of approximately 500 acres. Current land use within the Plan Area is a mixture of commercial/retail, research related office, educational, and manufacturing use. The Plan Area is generally bounded by University Drive on the north, Wynn Drive on the east, Interstate 565 on the south and Research Park Boulevard to the west. **Exhibit A** (the Plan Area) illustrates the exact boundary and properties to be included within the Plan Area.

URBAN RENEWAL/REDEVELOPMENT PLAN

The Research Park East Urban Renewal/Redevelopment Plan outlines realistic proposals to effectively deal with the future of the Plan Area. The Plan is based on the analysis of existing blight conditions, needs and potentials, and a process of local government oversight and community involvement. By means of significant public and private redevelopment and rehabilitation, it is designed to revitalize the Plan Area by incorporating the overall vision of both *The Big Picture* and *Cummings Research Park Master Plans*. The implementation of the Plan will provide for new commercial opportunities, new public recreation and entertainment options, and opportunities for urban style living and working environments.

These development initiatives may establish, in the future, a modified land use plan within the Plan Area to more particularly identify the development of urban style neighborhoods, commercial developments, medical services, research and development areas, university-oriented business, and public open space/entertainment options within the Plan Area. Implementation of the Plan will revive the Research Park East area and adjacent areas by providing a vital, stable, and attractive environment that will become a more contributing part of the City of Huntsville.

The Plan includes public improvements such as, roadway improvements, pedestrian facilities, lighting and landscaping, pedestrian facilities, utility upgrades, public parks, and recreation improvements as well as the acquisition, demolition and resale of blighted property to be redeveloped for both public and private uses appropriate to the Plan Area. All private redevelopment activities within the Plan Area shall conform to all regulations and limitations of the Zoning Ordinance of the City of Huntsville.

This Plan is intended to eliminate blight and prevent future blighting conditions which have created, contributed to, or perpetuated the blighting factor and deterioration of the Plan Area.

The Plan is also intended to insure the orderly improvement of the Plan Area in accordance with the City's overall planning objectives and in accordance with *Ala. Code 1975 §24-2-1, et seq* (Redevelopment Projects) and *Ala. Code 1975 §24-3-1, et seq* (Urban Renewal Projects).

PLAN GOAL AND OBJECTIVES

The Plan has been undertaken within the policy framework of a Goal Statement, supported by the overall planning objectives for the City of Huntsville. This policy framework provides direction regarding development patterns, land use, vehicular and pedestrian circulation, utilities, open space, and aesthetic enhancements for the Urban Renewal/Redevelopment Plan.

GOAL STATEMENT

The Research Park East Urban Renewal/Redevelopment Plan's predominant goal is to transform the Plan Area into a more economically viable, physically attractive, people desirable, fully developed, and functional part of the community in and around Cummings Research Park.

PLAN OBJECTIVES

In order to achieve the Plan Area's Goal Statement, the following set of Plan Objectives are recommended:

- Prevent the continued development or spread of blight and deteriorating conditions;
- Eliminate blight; blighted and deteriorated conditions; and blighting and deteriorating influences of improved and unimproved property;
- Eliminate under-utilization, obsolete layout, diversity of ownership, defective or unusual conditions of title;
- Restore the economic vitality of the Plan Area through a mix of compatible and appropriate land uses such as residential, office, retail, services, parks and institutional uses;
- Promote sound growth of the community;
- Promote and improve on a rational and efficient traffic system to facilitate traffic flow and access to both public and private facilities while maintaining a balance between vehicular, transit, pedestrian, and bicycle modes of travel;

- Promote and assist with the development of new urban centers, neighborhoods, commercial development, and business environments that will further strengthen Cummings Research Park, adjacent neighborhoods, and the University of Alabama at Huntsville;
- Provide public improvements such as streets, utilities, lighting, sidewalks, parks, plazas, landscaping, sidewalk amenities, entertainment venues, and other applicable public infrastructure to create a safe and attractive environment for the overall community;
- To revitalize and improve the appearance and conditions of properties along and within the Research Park East Area;
- Promote and assist in residential development within the Plan Area by establishing an environment for viable mixed-use urban style neighborhood projects of high density and design quality with all appropriate amenities to provide long term stability for the Huntsville community, including Cummings Research Park;
- Provide governmental and other institutional uses that are contextually sensitive to the Plan Area's goal;
- Provide public open space opportunities which are lacking within the Plan Area to allow for recreation opportunities for the general public;
- Effectively address the physical attractiveness of building facades, streets, sidewalks, lighting, signage, landscaping, parking areas, utility services, and private and public exterior spaces;
- Provide adequate and updated infrastructure that readily meets the demands of renewal and redevelopment efforts;
- Promote and assist in the development of areas within the Plan Area that will create placemaking nodes within the Plan Area that ultimately encourages the redevelopment of areas surrounding these type node centers.

URBAN RENEWAL/REDEVELOPMENT ACTION PLAN

The Action Plan focuses on steps that assist in achieving the overall Plan Objectives. As the implementation of Research Park East Renewal/Redevelopment Plan proceeds, additional actions may be identified to fully implement the Plan. The following are the current recommended Action Plans:

- Undertake infrastructure improvements to upgrade streets, drainage, water, sewer, gas, electrical, telephone, sidewalks, curbs and to bury or relocate unsightly overhead utility service where deemed necessary by the City to promote redevelopment;

- Evaluate the possible creation of an Urban Renewal/Redevelopment Zoning Overlay District to assure that new construction and improvements to existing buildings are in accordance with the Plan and overall vision of the City;
- Use the full range of urban renewal/redevelopment tools (acquisition by purchase or eminent domain, clearance, redevelopment, rehabilitation, renovation, conservation and mitigation) to eliminate and prevent blight and to successfully implement the Plan;
- Subdivision of properties that are challenged in development and/or redevelopment due to the size and nature of the property by means of constructing new public rights-of-ways to better facilitate future development and/or redevelopment of property;
- Construct new pedestrian-friendly streets and walkways as deemed necessary, provide resurfacing to existing streets, construct streetscapes to visually improve pedestrian facilities within the Plan Area, eliminating unnecessary curb cuts, installing landscaping and improving lighting, and/or providing planting areas adjacent to streets;
- Eliminate underutilized surface parking fields to promote better overall density and economic vitality within the Plan Area;
- Provide for improved vehicular and pedestrian connectivity within the Plan Area to enhance the overall connectivity to surrounding areas such as neighborhoods, employment centers, and educational institutions to promote revitalization within the Plan Area;
- Create public/private partnerships to encourage architectural and landscape improvements within redevelopment opportunities;
- Create a more urban environment by encouraging a mix of land use and replacing underutilized parking areas with new infill construction;
- Control trash accumulation, outside dumpsters, poor site maintenance, and outside storage through code enforcement and possible new regulatory tools;
- Improve public health, safety, and welfare within the Plan Area by targeting areas with a history of crime and illegal activities;
- Develop covenants for the disposition of land which is acquired by the City and sold to the private sector for redevelopment;
- Encourage utility providers to replace overhead utilities with underground service and screen or relocate to utility substations;
- Prepare detailed design drawings for certain components of the Urban Renewal/Redevelopment Plan such as urban parks/plazas improvements, corridor roadway improvements, intersection improvements, and landscaping within public areas;

- Implement a regular review, update and refinement of the Urban Renewal/Redevelopment Plan to meet changing conditions and needs;
- Develop and enter into specific redevelopment project agreements with private entities to correct current blight conditions and implement the goals and objectives of the Plan.

ACQUISITION PLAN

The implementation of the Urban Renewal/Redevelopment Plan will require the acquisition of blighted property as authorized by *Ala. Code 1975 § 24-3-2*. The City shall purchase or acquire by exercise of legal means those blighted properties set out in the Acquisition Area (**Exhibit B**) as it deems necessary, convenient, and proper to carry out the purpose of the Plan. In addition, the City will enter into a contract with such redevelopers as it deems necessary, convenient, and proper to develop all or any part of the Plan in accordance with the requirements set out herein.

The Plan is being conducted in accordance with the State of Alabama's Urban Renewal and Redevelopment statutes (*Ala. Code 1975 § 24-2-1 et seq and § 24-3-1 et seq*) and involves the acquisition of blighted properties to implement the Plan. The City endeavors on a continuing basis to keep all persons and businesses affected by a proposed acquisition informed of the process and procedures.

Accordingly, the City may acquire such blighted properties by fee simple or any interest therein, and the existing structures thereon may be demolished as appropriate for redevelopment and implementation of the Plan. Other properties may be acquired in order to implement the Plan upon a finding by the City Council of Huntsville that it is necessary and desirable and in the public interest to do so, and upon such finding, such other properties shall constitute a part of and an amendment to the Acquisition Plan.

The City's property acquisition shall be undertaken in conformance with all applicable federal and state statutes, codes, and regulations. The timeframe for acquisition of parcels may vary because of acquisition requirements, the results of tests, studies and evaluations, the willingness of owners to convey, necessity for litigation, obtaining clear title and/ or the availability of funds. In addition, acquisition priorities should be reviewed continuously in light of changes in the availability of funding or development opportunities that may arise as the Plan progresses.

These properties may be acquired in full or part as necessary to construct initial public improvements and create redevelopment opportunity as identified in the Plan's Objectives and Action Plan. The Plan has specifically identified the following blighted properties which are to be included in the Acquisition Area as shown on **Exhibit B**. The properties (*PPINs*) to be included are: 7228, 42533, 18267, 18272, 18279, 18321, 20984, 27587, 27319, 27327, 27362, and 543452. The acquisition of these properties have been deemed necessary to begin the initial phases of the Plan.

As soon as feasible, owners will be notified of the City's interest in acquiring the real property and the basic protections involved, including the City's obligations to secure an appraisal. Before the initiation of negotiations for property acquisition, the real property to be acquired will be appraised (except on donated property given a written release for appraisal). The City will follow applicable federal and state laws and regulations in setting the standards for appraisers and appraisals. In addition, all appraisers will be required to be "MAI" designated appraisers.

Upon establishment of an amount the City believes is just compensation for the real property, the City will make a written offer to the property owner to acquire the property. Along with the initial written purchase offer, the property owner will be given a written statement of the basis for the offer of just compensation. The City will make reasonable efforts to contact the owner or the owner's representative to discuss its offer to purchase the property, including the basis for the offer of just compensation, and explain its acquisition policies and procedures.

The City will not advance the time of condemnation unjustifiably or defer condemnation or the deposit of funds with the court with the intent or purpose of coercing or inducing an agreement on the price to be paid for the property. If an agreement with the owner cannot be reached, the City's acquisition plan includes utilizing the eminent domain powers as provided by the Ala. Code 1975 , Title 18, Eminent Domain and as limited by § 24-3-2 (d).

DISPOSITION PLAN

This section of the Plan provides a basis for the management of property between acquisition and the time of property disposition. It also addresses the disposition of land by lease or to public or private parties for redevelopment in accordance with provisions of the Plan and any necessary contractual agreements with the City of Huntsville.

The Plan currently identifies properties that are to be used for public purpose and public improvements. These parcels or portions of a parcel may be disposed of at use value by sale, lease, conveyance, or other means to provide for the full implementation of the Plan. These parcels, which may be subdivided or combined, may be more precisely described through future surveys as the City of Huntsville may deem necessary. Any disposition of non-public land within the Plan Area will be on the basis of affording maximum redevelopment opportunity, consistent with the needs of the City of Huntsville as a whole and the objectives of the Plan.

Proposed property acquisition creates the potential for managing property between the date of acquisition and the date of disposition or demolition. Management activities will include advice and counsel to tenants and owners, and procedures for rental and/or maintenance of buildings and land between the time of acquisition and final disposition.

It is the City's intent to demolish or cause to be demolished a blighted structure as soon as possible after acquisition. The Huntsville Police Department will be alerted of vacant properties and the City will request that the acquisition area be patrolled frequently to keep vandalism under control. To assist in keeping accidents and vandalism to a minimum "No Trespassing" signs will be placed on each parcel that has been acquired by the City of Huntsville as needed.

The City, in disposing of the land in the Plan Area will, in its contractual agreements, deeds or other instruments, include such terms and conditions to insure redevelopment of the Plan Area is in accordance with the Plan. Such conditions will be contained in contractual agreements, deeds, covenants or other instruments. In all instances, the improvements to be constructed in the Plan Area will be constructed in accordance with applicable local codes and ordinances and the requirements of the Plan.

RELOCATION PLAN

The acquisition, demolition, and construction proposed in the Research Park East Urban Renewal/Redevelopment Plan shall be undertaken in stages with an aim to minimize the disruption to existing businesses and establishments when possible. The City shall work in good faith with a property owner on providing a reasonable timeline to allow owner/tenants to relocate so long as the timeline does not adversely affect the overall timeframe of the Plan. There are no permanent residents in the Land Acquisition Areas.

PUBLIC IMPROVEMENT PLAN

Implementation of the Plan shall occur over time and as funding permits. Although the Plan recognizes that additional public improvements may be identified in the future to fully realize the maximum benefits of the Plan, the City of Huntsville, through evaluation and assessment of the Plan Area, has developed an initial priority list of public improvements and acquisitions for implementation of the Plan. **Exhibit B** and **Exhibit C**, respectively, depicts the land acquisition and public improvement areas for the Plan's implementation to create a catalyst for private reinvestment and rehabilitation with the Plan Area. These areas have been identified as providing the most beneficial return in reversing and preventing the further spread of blight within the Plan Area. Funding limitations will prohibit the simultaneous implementation all aspects of the Plan. Therefore, an evaluation was made to determine a priority focus and strategy for which implementation should be executed as funding allows.

The following projects are recommended at this time for implementation:

- Creation of a "Lot and Block" Street Network in the northwestern portion of the Plan Area to create more density and improved utilization of existing properties;
- Sanderson Road Extension (S.R. 255 to Old Monrovia Road);
- Improvements to Bradford Drive;
- Improvements to Old Madison Pike;
- Improvements to Wynn Drive;
- Streetscape Improvements within the Plan Area;
- Redevelopment of the Wynn Drive/Bradford Drive intersection to provide alternate uses that will enhance the livelihood of the Plan area;
- Redevelopment of the University Drive/Sparkman Drive area to uses that add community value to nearby neighborhoods and the University of Alabama Huntsville

PRIORITY ZONES

Implementation of the Plan shall occur in multiple phases and as available funding permits. In an effort for the Plan to deliver the maximize benefit to the community, Priority Zones have been created to structure the initial application of resources for implementation. The current recommended Priority Zones for implementing the Plan are illustrated in **Exhibit D**.

ECONOMIC MARKET POTENTIAL

Since 2013, the City of Huntsville has been conducting a Comprehensive Planning process, more commonly known as *The Big Picture*. One of the goals of *the Big Picture* effort has been to identify strategies for maintaining and improving market performance, particularly among its large stock of aging retail and commercial centers, known often as "greyfields". Several key commercial greyfield corridors were identified as needing some level of catalyzed reinvestment and blight reversal. The Research Park East area was foremost among them.

Left unattended, declining centers are not only in and of themselves sources of blight, but they cause blight to spread to other commercial properties, as well as into surrounding neighborhoods. To prevent widespread disinvestment, *the Big Picture* planning effort recommended proactive approaches to dealing with areas that were showing signs of blight. The Research Park East area was seen as critically important because of its central location relative to the market area, its proximity to major employment and educational centers, the number of households within standard 1/5/10 mile radii, and the amount of commercial square footage that lined Research Park East.

Redevelopment efforts can ensure that blight does not take hold, or spread into surrounding areas within the community while also providing a safe and secure environment. This Plan offers an opportunity not merely to eliminate existing blighted areas and revitalize a declining corridor; it offers a chance to restore and improve the quality of life for all those who live, work and play in Huntsville and Madison County.

MARKET AREA AND TRENDS

POPULATION AND DEMOGRAPHICS

The primary market area for the Plan Area encompasses all of the City of Huntsville, and Madison County. The surrounding counties of Limestone, Jackson, Morgan, Marshall and

Lincoln (TN) create a secondary market area in terms of support for employment, shopping and recreation.

The population of the City of Huntsville is growing steadily, and more rapidly than any other major city in Alabama. The redevelopment of the Research Park East area is critical in continuing this trend for the future. The following table outlines this growth over the past decade:

POPULATION AND HOUSEHOLDS, City of Huntsville

Population	180,105	191,141
Households	76,990	82,337
Average Household	2.3	2.24
Median Age	36.9	37.9

Rapid growth has been driven by several factors, but predominant among them has been unprecedented job growth, and an excellent but affordable quality of life.

Household income in the City of Huntsville in 2015 averaged \$69,696 (see table below). In the next five years, average income is projected to rise to \$77,578. The largest household income segment is the households with an annual income between \$25,000-\$49,999 (24.6% of all households in the City). Of all households, 21.5% have incomes exceeding \$100,000.

HOUSEHOLD INCOMES, City of Huntsville

Annual Household Income	2015		2020	
< \$15,000	14.0%	26.2%	12.9%	21.9%
\$15,000 – \$24,999	12.2%		9.0%	
\$25,000 – \$49,999	24.6%	42.3%	24.0%	42.8%
\$50,000 – \$74,999	17.7%		18.8%	
Average Household Income	\$69,696		\$77,578	

TYPES OF URBAN RENEWAL/REDEVELOPMENT ACTIVITIES

In order to fully implement the Research Park East Renewal/Redevelopment Plan redevelopment, major rehabilitation and conservation/minor rehabilitation initiatives must be undertaken. Following is a description of the various components that comprise the actions needed in each category of renewal treatment.

REDEVELOPMENT

Redevelopment is the type of renewal action recommended for the Priority 1 and Priority 2 areas with the Plan. Redevelopment requires acquisition, and in most cases, demolition of structures to fully implement the Plan. Redevelopment activities include part or all of the following activities:

- Acquisition, relocation and clearance of blighted properties;
- Re-platting of parcels;
- Major infrastructure improvements;
- Street redesign and some street closures;
- Development of parking structures and redesign of surface street parking areas;
- Construction of public facilities such as the urban park/plaza;
- Landscape and streetscape improvements to provide aesthetic and visual enhancements;
- Application of zoning regulations and design standards;
- Creation of covenants for land transferring in ownership.

MAJOR REHABILITATION, REUSE AND INFILL

Rehabilitation is a less intensive renewal initiative. It is geared to improving existing buildings to make them greater contributors to the revitalization of the area, as well as proposals that include infill development. Rehabilitation is the type of renewal action recommended for the Priority 3 and Priority 4 areas with the Plan. However, in some cases rehabilitation of existing structures is not possible.

The City-supported rehabilitation, reuse and infill initiatives that may be undertaken within the Plan Area may include:

- Investigating with property owners how the exteriors and interiors may be improved;
- Creating a façade rehabilitation program, particularly for contributing structures;
- Identifying potential in-fill sites for new development;
- Undertaking minor to moderate infrastructure, landscape and streetscape improvements;
- Applying revised zoning regulations and design standards.

CONSERVATION / MINOR REHABILITATION

Conservation, combined with minor rehabilitation actions, is recommended for buildings in which some actions are necessary in order to enhance a building's potential. In these areas, actions should strive to preserve existing appropriate uses and correct potentially blighting conditions. Buildings suitable for conservation and minor rehabilitation are primarily located within the Plan Area, but outside of the identified Priority Zones. Conservation and minor rehabilitation, undertaken primarily with private and/or non-profit funding, may include:

- Continuing preventive maintenance and upkeep;
- Undertaking minor structural and façade rehabilitation;
- Enforcing property maintenance codes;
- Addressing minor infrastructure improvements;
- Providing landscape and streetscape improvements as aesthetic and visual enhancements;
- Applying revised zoning regulations and design standards.

SOURCES OF FUNDING

The Plan will be primarily implemented by funds provided through the City of Huntsville's Capital Improvement Plan. At the time of this Plan, the City has no definitive financial plans, budgetary designations or reserve fund commitments to utilize local or municipal funds to implement the Plan. However, due to the large number of improvements required and the financial resources available, local officials, in order to implement all aspects of this Plan, should they vote to do so, will need to pursue a wide variety of financial sources.

Potential sources of financing may include various local revenues, if available and not committed to other uses, as well as outside funds (i.e., grants). The source of funds needs to be appropriately matched with each activity in order to determine the most feasible and efficient method of financing. In this manner, local officials can identify the most beneficial funding source for each activity and thereby enable the City to maximize the utilization of available revenues.

PLAN IMPLEMENTATION

ADOPTION AND AMENDMENT OF PLAN

The Huntsville City Council will hold a public hearing on the Research Park East Urban Renewal/Redevelopment Plan to present publicly the intentions of this Plan. Based upon a favorable hearing, the City Council will adopt the Plan to allow for implementation.

The Plan may be modified, changed or amended at any time by the City of Huntsville following appropriate public hearings that would address any proposed amendment. The Plan shall also be amended to include specific redevelopment project plans as those projects occur. Any amendment to this Plan will require the approval of the Huntsville City Council.

IMPLEMENTATION

Given that Research Park has been a dynamic part of the community for over 50 years, it is imperative that the *Research Park East Urban Renewal/Redevelopment Plan* be implemented to ensure that all of Research Park and the surrounding area remain a vital part of the North Alabama economy. The necessity for a healthy, safe, and vibrant environment of the Plan Area is critical.

The Plan Area is the cornerstone of the Huntsville community. The development of a plan of action for accomplishing the recommendations of the Research Park East Urban Renewal / Redevelopment Plan is essential for successful implementation. Some of the more important actions that are needed following the adoption of the Plan by the City Council are:

- Officially designate the city official responsible for administration, management and coordination of the Urban Renewal/Redevelopment Plan;
- Begin appraisal and acquisition activities;
- Begin detailed engineering design of infrastructure improvements;
- Review of Current Zoning Ordinance to possible include amendments to the Cummings Research Park District standards and/or add a Zoning Overlay District;
- Investigate the option of establishing a Tax Increment Financing District for the Plan Area;

- Create an initiative to respond to economic opportunities related to the overall renewal of the Plan Area including potential development opportunities, new retailers, rehabilitation of existing structures or spot clearance and redevelopment of properties; and,
- Identify private development opportunities and partners to aide in the financial implementation of the Plan.
- Schedule and implement a regular review and update of the Urban Renewal / Redevelopment Plan.

Exhibit A
THE PLAN AREA

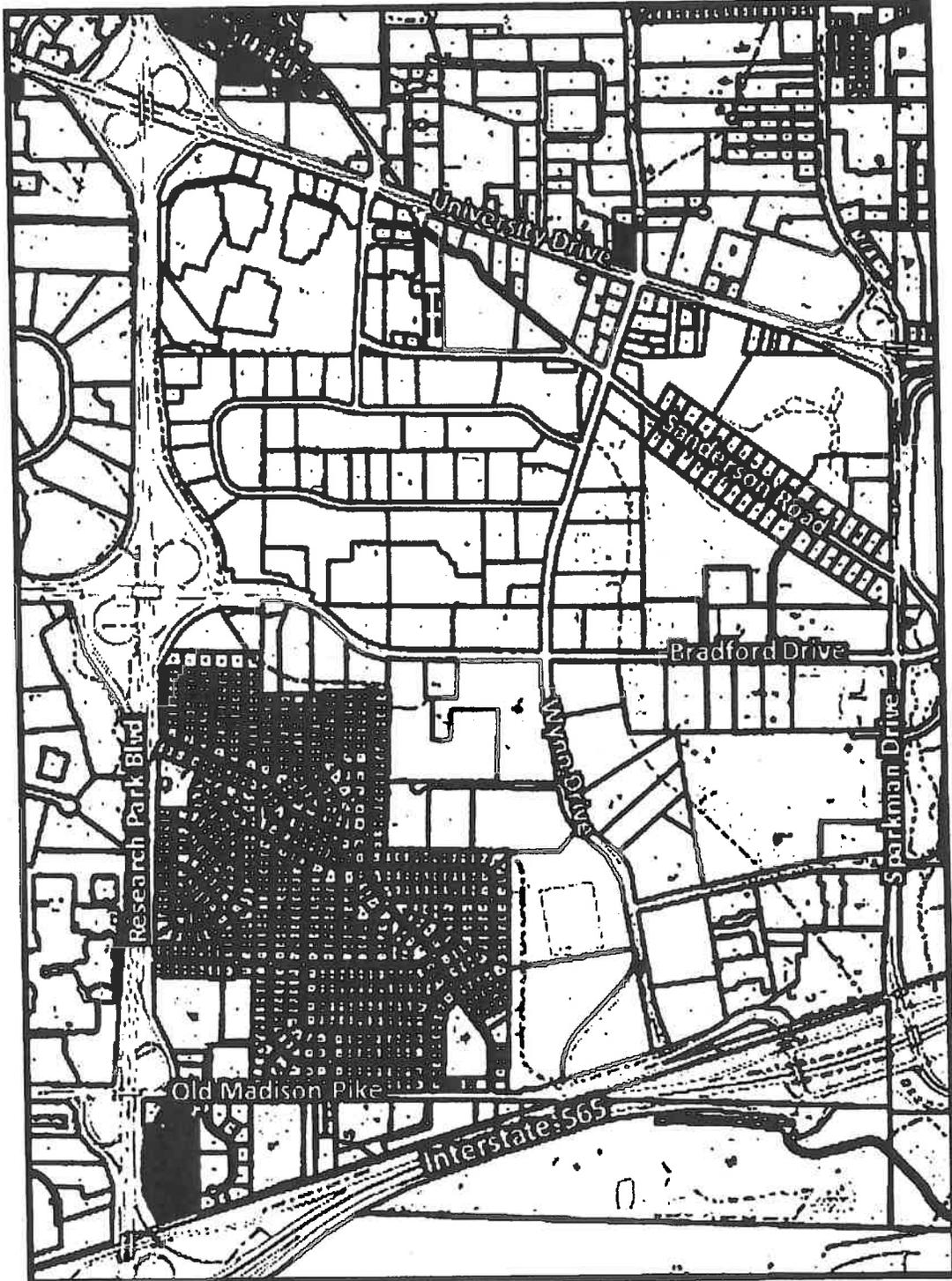


Exhibit B
ACQUISITION AREAS

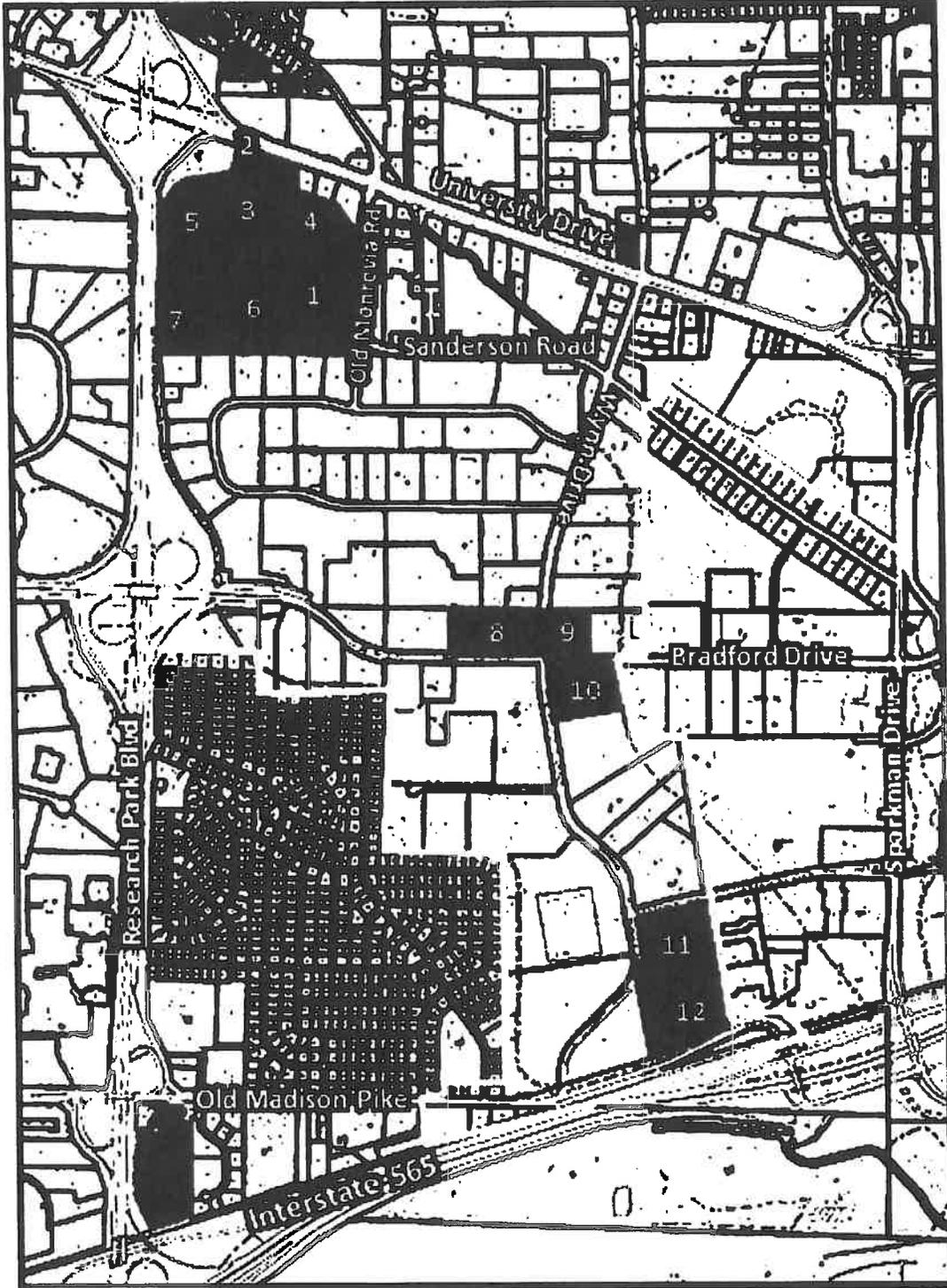


Exhibit C
PUBLIC IMPROVEMENT LOCATIONS

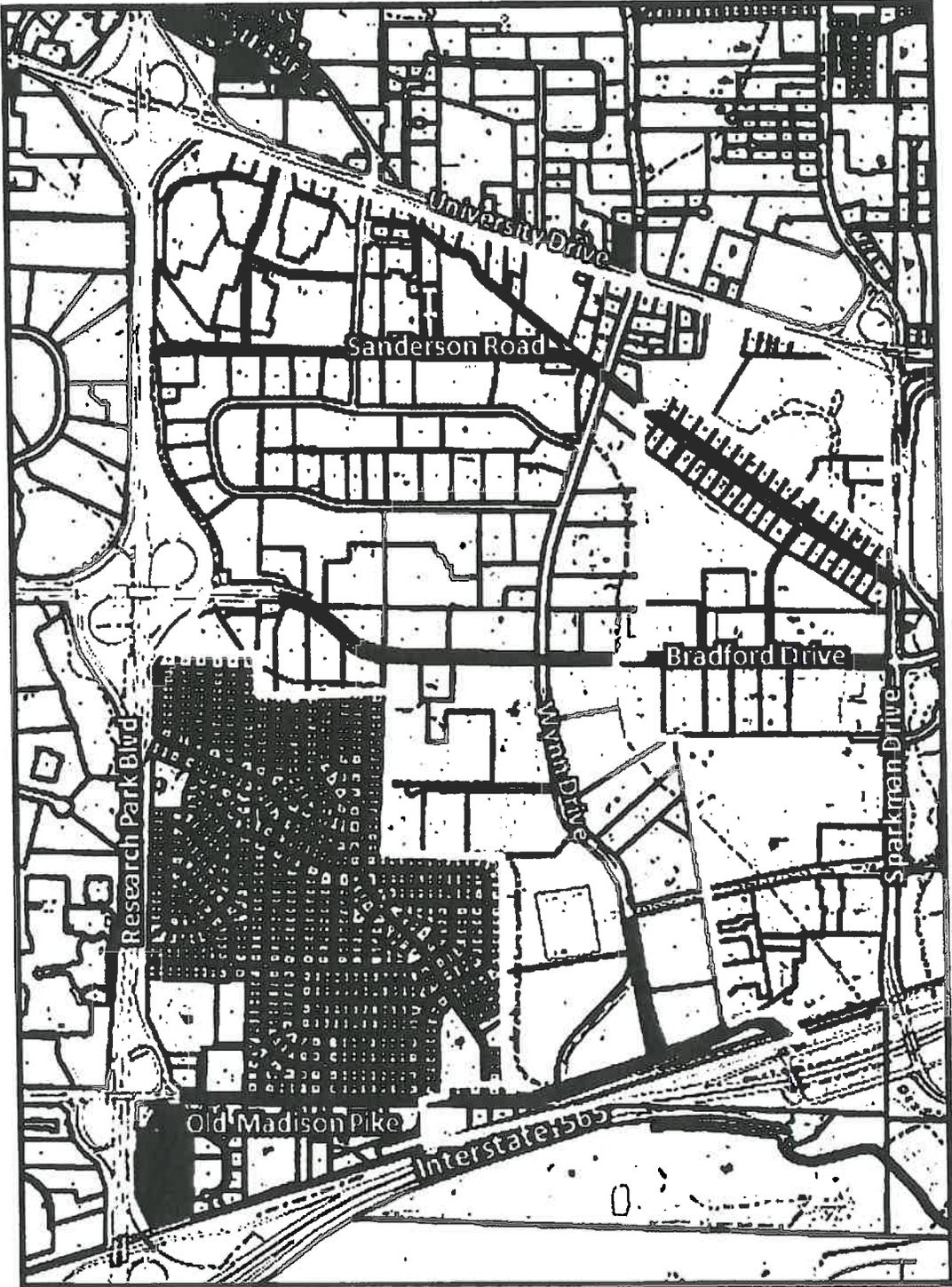
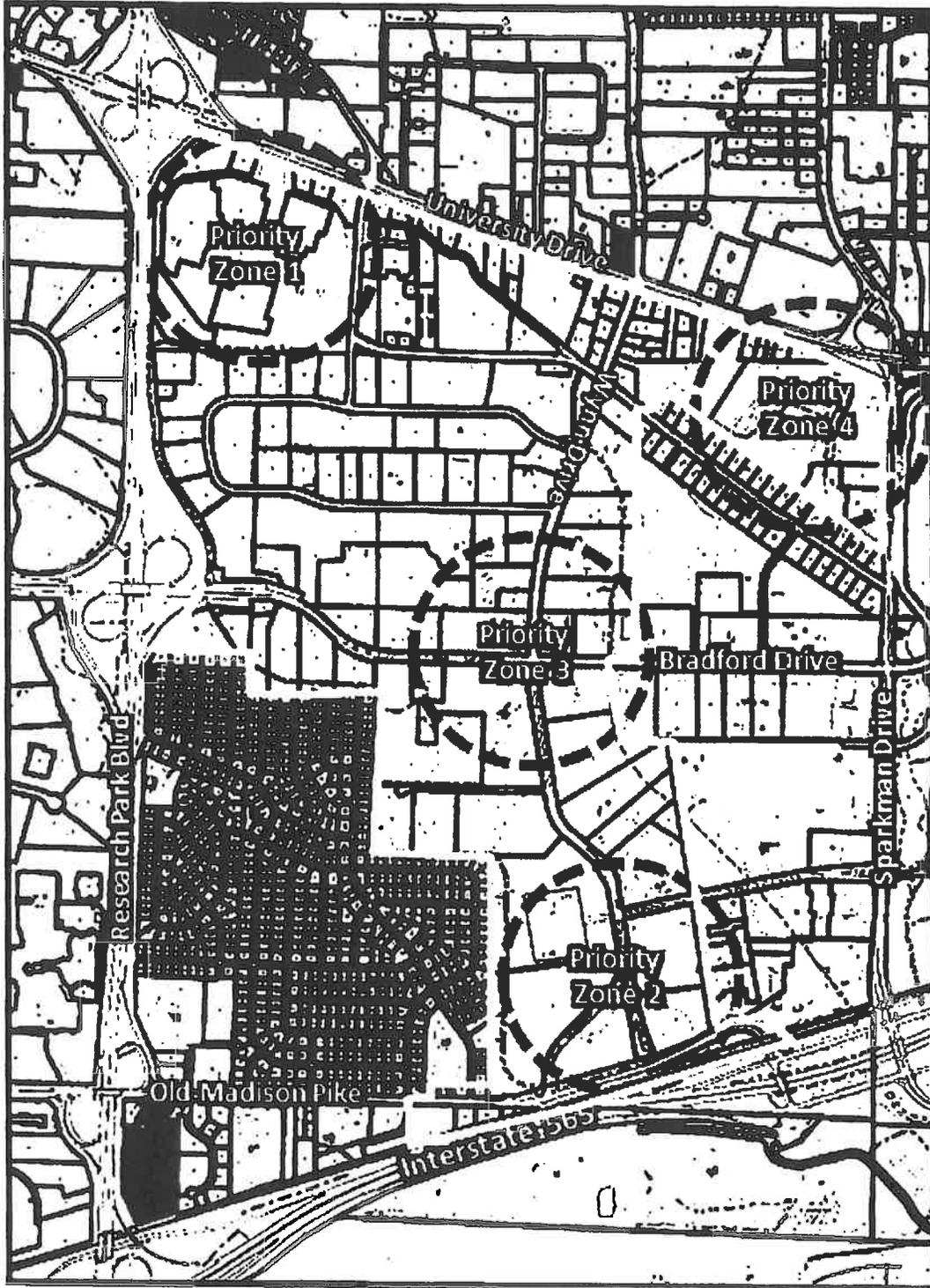


Exhibit D

PRIORITY ZONES FOR IMPLEMENTATION



ROUTING SLIP CONTRACTS AND AGREEMENTS

Originating Department: Urban Development Council Meeting Date: **5/26/2016**

Department Contact: **Lameka Carter** Phone # **256-427-5304**

Contract or Agreement: **Urban Renewal/Redevelopment Agreement**

Document Name: **Mid-City Owner, L.L.C.**

City Obligation Amount:

Total Project Budget:

Uncommitted Account Balance:

Account Number:

Procurement Agreements

Not Applicable	Not Applicable
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Grant-Funded Agreements

Not Applicable	Grant Name:
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Department	Signature	Date
1) Originating		5/25/16
2) Legal		
3) Finance		
4) Originating		
5) Copy Distribution		
a. Mayor's office (1 copies)		
b. Clerk-Treasurer (Original & 2 copies)		