

## Memorandum of Understanding

This Memorandum of Understanding (“MOU”) is entered into this \_\_\_ day of October, 2024 (“Effective Date”), by and between New City Development Partners, LLC, an Indiana limited liability company or its assigns (“Developer”) and the Town of Whitestown (“Town”).

**WHEREAS**, the Town has determined that development of certain property within the Town described on Exhibit A and known as Padgett Commons (the “Project”), which currently consists of unimproved land, will, among other benefits, have a positive economic impact on the Town and its residents and enhance the quality of life for its residents, and is therefore in the best interest of the citizens of Whitestown, Indiana;

**WHEREAS**, the property has a current assessed value of \$96,600 and the Project upon full completion will result in a combined assessed value of \$48,100,000, incremental property tax revenue from which will be guaranteed by Developer in the form of a minimum taxpayer agreement and property tax lien;

**WHEREAS**, the Town desires to encourage and support the Project consistent with the Comprehensive Plan, Thoroughfare Plan, and Bike and Pedestrian Master Plan for the Town of Whitestown;

**WHEREAS**, Developer has experience in redevelopment projects and desires to invest in the Town;

**WHEREAS**, the Town and Developer desire to enter, along with other relevant parties, into a separate Project Agreement (“Project Agreement”) by November 1, 2024, to redevelop the Padgett Commons;

**NOW, THEREFORE**, in consideration of the foregoing, the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

### **I. Project Summary:**

The Project will be a significant mixed-use development that will include an estimated 200,000 square feet of new retail space, 80 units of senior housing, and 120 units of multi-family housing. The estimated private investment is slated to be \$110 million which will add approximately \$48 million in new commercial development assessment. The Project would incorporate new public greenspace amenities, extend the Town’s existing street grid, and upgrade area infrastructure. The Project will sit on approximately 39 acres. The Project will create an exciting and attractive mixed-use district offering walkable/bikeable/pedestrian-friendly streetscapes and road improvements, unique and varied housing options, and commercial which will enhance the Town’s economic development efforts and aid local employers in attracting new talent to Whitestown. Furthermore the infrastructure for the Project will open up future development opportunities north of the Project which will create additional investment. The Project will serve as an economic driver for restaurants and businesses, while attracting and retaining residents. Final development plans and phasing will be subject to market conditions.

### **II. Project Incentives:**

The Town shall provide support to the Project including the following (collectively the “Project Incentives”) as estimated in the budget as shown in Exhibit B.

- 1) Town issuance of economic revenue bond (the “Infrastructure Bond”) with estimated net proceeds of \$27,200,000 that is not purchased by Developer. Town will structure, place, and sell the Infrastructure Bonds in its sole discretion in order to generate the estimated net proceeds to finance the Public Infrastructure. The Infrastructure Bonds will be subject to a minimum taxpayer

agreement (MTA) with Developer whereby Developer will commit to the payment of real property taxes and/or taxpayer direct payments, as needed, in an amount sufficient to pay the principal and interest on the Infrastructure Bonds. The MTA shall constitute a property tax lien on the Project.

- a. Of the Infrastructure Bond, a portion will be for the design and construction of Town-planned-thoroughfares and other site work necessary to support the Project, as shown in Exhibit C. The following are the Phase 1 Infrastructure and Phase 2 Infrastructure projects (collectively the “Public Infrastructure”):
  - i. Phase 1 Infrastructure (as shown in Exhibit D). The Phase 1 Infrastructure will be designed and constructed by the Developer and reimbursed by the proceeds of the Infrastructure Bond from the Town.
    1. Extension of County Road 550 South and all associated utilities.
    2. Extension of County Road 575 East and all associated utilities.
    3. New Roundabout along County Road 550 South
    4. New Roundabout along County Road 575 East
    5. Fence screening along County Road 575 East
    6. Public trail
    7. Compensation for corresponding land acquisition for right-of-way acquisition (if applicable).
  - ii. Phase 2 Infrastructure (as shown in Exhibit E). The Phase 2 Infrastructure will be designed and constructed by the Town.
    1. Widening of County Road 575 East for 4-lane right-of-way with median.
    2. Roundabout at 575 East & 500 South.
    3. Compensation for corresponding land acquisition for right-of-way acquisition (if applicable).
  - iii. Correlating design and construction work for the Project and Public Infrastructure including but not limited to site work, mass grading, drainage, utilities, detention, and landscaping.
  - iv. Any correlating soft costs relating thereof on the infrastructure work including but not limited to survey, civil, design, and management fees.
  - v. Inspection firm to be selected by the Town of Whitestown.
  - vi. Town to accept all public improvements and maintain post completion upon inspections acceptable to the Town.
  - vii. Town is responsible for cost-overruns outside of the Developer’s control or not caused by Developer-driven changes. These additional costs shall only be reimbursed from Town approved change orders.
- b. Of the Infrastructure Bond, a portion will be for the design and construction of interior infrastructure necessary to serve the project, as shown in Exhibit G (“Interior Infrastructure”). The Interior Infrastructure will be designed and constructed by the Developer and reimbursed by the proceeds of the Infrastructure Bond from the Town.
  - i. Interior Infrastructure
    1. Central Road and all associated utilities.
    2. Correlating design and construction work for the Interior Infrastructure including but not limited to site work, mass grading, drainage, utilities, detention, and landscaping.
    3. Any correlating soft costs relating thereof on the infrastructure work including but not limited to survey, civil, design, and management fees.
    4. Town to accept all public improvements and maintain post completion upon inspections acceptable to the Town.

- c. Of the Infrastructure Bond, a portion will be for the design and construction of park infrastructure necessary to serve the project, as shown in Exhibit H (“Park Infrastructure”). The Park Infrastructure will be designed and constructed by the Developer and reimbursed by the proceeds of the Infrastructure Bond from the Town.
  - i. Interior Infrastructure
    - 1. Park Space.
    - 2. Correlating design and construction work for the Park Infrastructure including but not limited to site work, mass grading, drainage, utilities, detention, and landscaping.
    - 3. Any correlating soft costs relating thereof on the infrastructure work including but not limited to survey, civil, design, and management fees.
    - 4. Town to accept all public improvements and maintain post completion upon inspections acceptable to the Town.

**III. Proposed Terms:**

|                                                                     |                           |
|---------------------------------------------------------------------|---------------------------|
| a. <i>Estimated</i> Private Investment (at full Project build-out): | \$110,000,000             |
| b. Current Assessed Value:                                          | \$96,600                  |
| c. <i>Estimated</i> New Assessed Value:                             | \$48,100,000 <sup>1</sup> |
| d. <i>Estimated</i> Revenue from Project:                           | \$21,000,000 <sup>2</sup> |
| e. <i>Estimated</i> Gross Bond Revenue from Project:                | \$10,500,000 <sup>3</sup> |
| f. Net Public Investment:                                           | \$27,200,000              |

**IV. Terms Summary:**

A. Developer

- a. Acquire Project site
- b. Develop and construct the \$110M Project
- c. For each component of the Project: (i) own and/or oversee; and (ii) participate in daily management of; each component through substantial completion thereof
- d. Design and construct all components of the Phase 1 Public Infrastructure, Interior Infrastructure, and Park Infrastructure in collaboration with the Town
- e. Execute the MTA in a form acceptable to the Town
- f. Provide a completion guaranty for the Project in a form and from a guarantor acceptable to the Town

B. Town

- a. Approve and execute this MOU
- b. Negotiate in good faith relative to a Project Agreement for the Project Incentives

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<sup>1</sup> Estimated New Assessed Value for entire Project at full build-out in accordance with current master plan.

<sup>2</sup> Estimated Total Revenues over 25-year period; no annual AV increases, no tax rate increases

- c. Approve and execute the Project Agreement
- d. Make available: the net proceeds of the Infrastructure Bond, less issuance and related costs
- e. Obtain adjacent land needed for new right-of-way for Public Infrastructure
- f. Design and construct all components of Phase 2 Public Infrastructure

**V. Deal Sequence:**

- a. Developer petitions for concept plan, preliminary plat and related approvals
- b. Town and Developer approve and execute this MOU
- c. Developer begins and funds initial design for Phase 1 Public Infrastructure, Interior Infrastructure, and Park Infrastructure; to be reimbursed after Infrastructure Bond closing
- d. Town and Developer approve and execute the Project Agreement
- e. Developer closes on acquisition of the Padgett Commons site
- f. Town issues Infrastructure Bond; execute all other documents necessary to effectuate the Project
- g. Town funds Developer’s design and construction for the Phase 1 Public Infrastructure, Interior Infrastructure, and Park Infrastructure.
- h. Developer develops and constructs the Phase 1 Public Infrastructure, Interior Infrastructure, and Park Infrastructure.
- i. Town develops and constructs the Phase 2 Public Infrastructure

**VI. Infrastructure Timeline:**

- a. July 3, 2024: Developer petitions for zoning/entitlements - Complete
- b. October 2, 2024: Town Council Approval of MOU
- c. October 7, 2024: Redevelopment Commission Approval of MOU
- d. October 15, 2024: Execute MOU
- e. November 1, 2024: Parties approve and execute Project Agreement
- f. November 15, 2024: Closing on Infrastructure Bond
- g. November 27, 2024: Developer closes on acquisition of Padgett Commons
- h. January 1, 2025: Town acquires needed land for right-of-way.
- i. March 1, 2025: Construction of Phase 1 Public Infrastructure, Interior Infrastructure and Park Infrastructure begins
- j. March 1, 2026: Phase 1 Public Infrastructure, Interior Infrastructure, and Park Infrastructure Complete
- k. April 1, 2026: Construction of Phase 2 Infrastructure begins
- l. May 1, 2027: Phase 2 Infrastructure Complete

The parties agree to these general terms as an agreement in principle and to negotiate, in good faith, a Project Agreement to effectuate this MOU. Town agrees that it shall use reasonable efforts to assist Developer in meeting schedule requirements, which includes: using reasonable efforts to complete all reviews and grant all approvals for the Project expeditiously so long as the plans, documents, and specifications meet the Town’s legal requirements. This MOU may be executed by counterparts.

Entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2024 by:

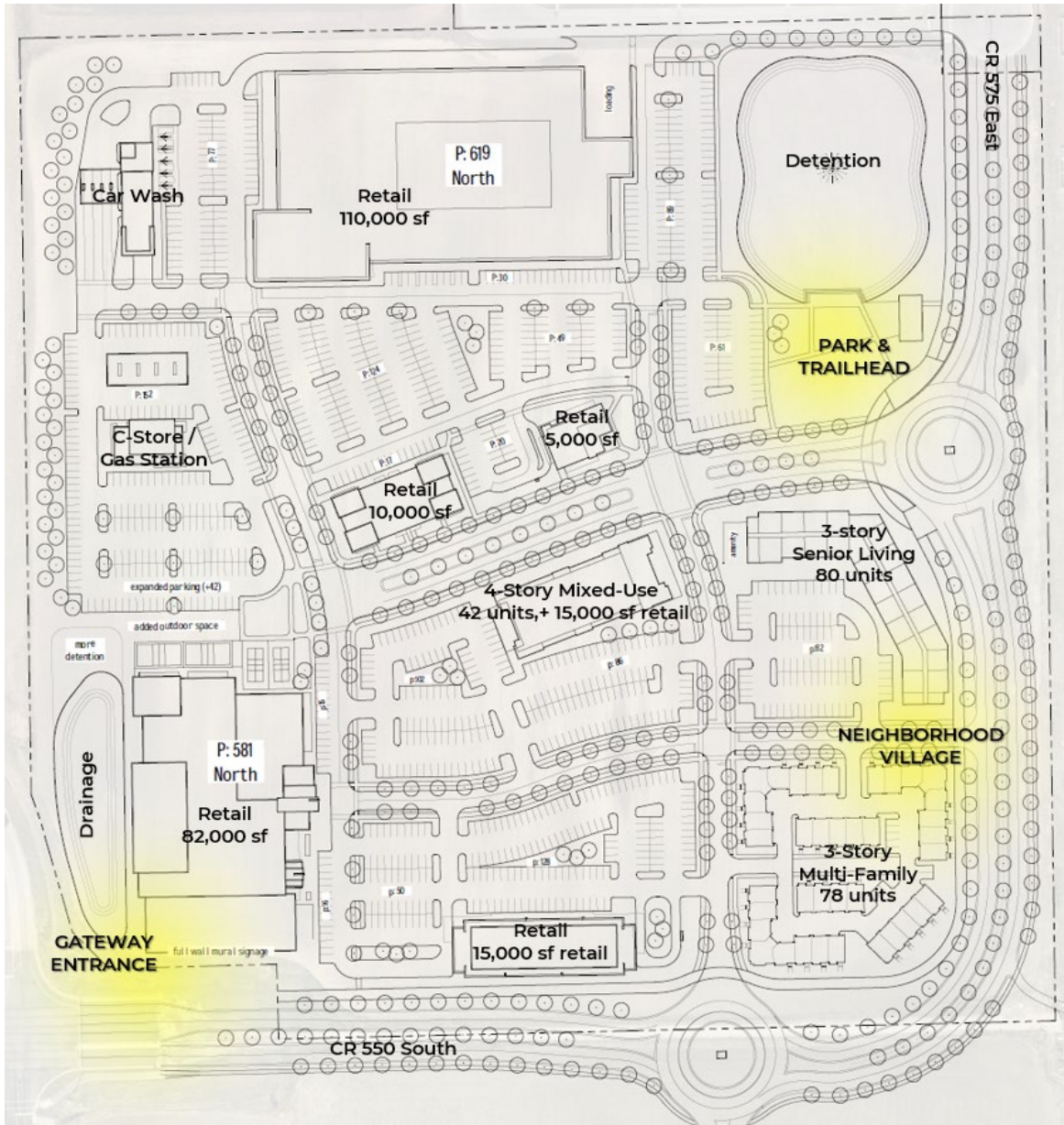
New City Development Partners, LLC

Town of Whitestown

By: \_\_\_\_\_

By: \_\_\_\_\_

### Exhibit A Site Description/Masterplan



**Exhibit B**  
**Project Budget**

| <b>Infrastructure</b> | <b>Amount</b>        |
|-----------------------|----------------------|
| Infrastructure Cost   | \$ 22,337,040        |
| Design & Consultants  | 1,235,830            |
| Contingency           | <u>3,535,930</u>     |
| <b>Total</b>          | <b>\$ 27,108,800</b> |

**Exhibit C**  
**Infrastructure Bond – Public Infrastructure**



- i. Extension of County Road 550 South and all associated utilities.
- ii. Extension of County Road 575 East and all associated utilities.
- iii. New Roundabout along 550 South
- iv. New Roundabout along County Road 575 East
- v. Fence screening along County Road 575 East
- vi. Public trail
- vii. Widening of County Road 575 East for 4-lane right-of-way with median.
- viii. Roundabout at 575 East & 500 South
- ix. Correlating design and construction work for the Project and Public Infrastructure including but not limited to site work, mass grading, drainage, utilities, detention, and landscaping.
- x. Any correlating soft costs relating thereof on the infrastructure work including but not limited to survey, civil, design, and management fees.

**Exhibit D**  
**Infrastructure Bond – Public Infrastructure, Phase 1 Infrastructure**



- ii. Extension of County Road 550 South and all associated utilities.
- iii. Extension of County Road 575 East and all associated utilities.
- iv. New Roundabout along 550 South
- v. New Roundabout along County Road 575 East
- vi. Fence screening along County Road 575 East
- vii. Public trail
- viii. Correlating design and construction work for the Project and Public Infrastructure including but not limited to site work, mass grading, drainage, utilities, detention, and landscaping.
- ix. Any correlating soft costs relating thereof on the infrastructure work including but not limited to survey, civil, design, and management fees.



**Exhibit E**  
**Infrastructure Bond – Public Infrastructure, Phase 2 Infrastructure**



- i. Widening of County Road 575 East for 4-lane right-of-way with median.
- ii. Roundabout at 575 East & 500 South
- iii. Any correlating soft costs relating thereof on the infrastructure work including but not limited to survey, civil, design, and management fees.

**Exhibit F**  
**Infrastructure Bond – Interior Infrastructure**



- i. Central Road and all associated utilities.
- ii. Correlating design and construction work for the Project and Public Infrastructure including but not limited to site work, mass grading, drainage, utilities, detention, and landscaping.
- iii. Any correlating soft costs relating thereof on the infrastructure work including but not limited to survey, civil, design, and management fees.

**Exhibit G**  
**Infrastructure Bond – Park Infrastructure**



- i. Park Space.
- ii. Correlating design and construction work for the Park Infrastructure including but not limited to site work, mass grading, drainage, utilities, detention, and landscaping.
- iii. Any correlating soft costs relating thereof on the infrastructure work including but not limited to survey, civil, design, and management fees.