

**MASTER DEVELOPMENT AGREEMENT**

THIS MASTER DEVELOPMENT AGREEMENT (this “AGREEMENT”) dated the \_\_\_\_ day of \_\_\_\_\_, 2021 (the “Effective Date”) by and among the CITY OF FRANKFORT, KENTUCKY, a Kentucky City of the Home Rule Class (the “City”), the FINANCE DEPARTMENT OF THE CITY OF FRANKFORT, KENTUCKY (the “Agency”), and NEW FRANKFORT DEVELOPMENT LLC, a Kentucky limited liability company (“Developer”);

**RECITALS**

Whereas, pursuant to the Act, as hereinafter defined, the City plans to establish by ordinance (the “Development Area Ordinance”), the Downtown Frankfort Development Area (the “Development Area”) and will pledge certain Incremental Revenues [as hereinafter defined], through the execution of a local participation agreement (the “Local Participation Agreement”), as provided in the Act, dated \_\_\_\_\_, 2021, to pay for or reimburse Public Infrastructure Costs [as hereinafter defined] within the Development Area, and as more specifically to be identified within the Local Participation Agreement; and

Whereas, in the Development Area Ordinance, the City will designate the Agency as its agency and constituted authority for the purpose of performing functions related to the oversight, administration, and implementation of the Development Area Ordinance and Local Participation Agreement on behalf of the City; and

Whereas, the County of Franklin, Kentucky (the “County”) will also be requested to pledge its Incremental Revenues to pay for or reimburse Public Infrastructure Costs within the Development Area through the approval and execution of the Local Participation Agreement; and

Whereas, the development planned within Parcels B and C of the Development Area includes The Downtown Frankfort Development Project (the “Project”), which will be a mixed-use project consisting of retail, restaurant, residential and possible hotel uses and similar appropriate uses, together with a parking garage and related public infrastructure, and as more specifically described in Exhibit “B” attached hereto; and

Whereas, the City recognizes that the redevelopment of the Development Area and the construction of the Project, as contemplated by the terms of this Agreement, will not occur without a public-private partnership and financial assistance provided to the Project by the City, the County, and the Commonwealth of Kentucky (the “State”); and

Whereas, the Parties desire to set forth their mutual agreements, understandings and obligations, in order to facilitate the design, financing, development and construction of the Development Area and the Project.

#### STATEMENT OF AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, and in consideration of the premises and the mutual covenants and undertakings contained in this Agreement, the Parties hereby agree and covenant as follows:

#### SECTION I Preambles

The Parties hereto agree that the above “preambles” or “preamble clauses” (the above “Recitals”) are incorporated herein by reference as if fully restated herein and form a part of the agreement between the parties hereto.

SECTION II  
Definitions

For the purposes of this Agreement, the following words and phrases shall have the meanings assigned in this Section II, unless the context clearly indicates that a contrary or different meaning is intended.

A. “Act”. Shall mean KRS 65.7041 to KRS 65.7083 and KRS 154.30-010 to KRS 154.30-090, relating to tax increment financing of projects to promote economic development.

B. “Affiliate”. Shall mean a corporation or other entity controlled by, controlling or under common control of the Developer.

C. “Agency”. Shall mean the Finance Department of the City of Frankfort, Kentucky.

D. “Agreement”. Shall mean this Master Development Agreement, including all Exhibits attached hereto.

E. “Approved Public Infrastructure Costs”. Shall mean the Public Infrastructure Costs approved from reimbursement from State Incremental Revenues as set forth in the Tax Incentive Agreement.

F. “Capital Investment”. Shall have the meaning as provided in the Act.

G. “City”. Shall mean the City of Frankfort, Kentucky, a Kentucky City of the Home Rule Class.

H. “County”. Shall mean the County of Franklin, Kentucky, a Kentucky county government.

I. “Developer”. Shall mean the New Frankfort Development LLC, a Kentucky limited liability company, as owner of the Project site and Project to be developed in conjunction with CRM Companies as developer of record, or their Affiliates.

J. “Development Area”. Shall have the meaning given in the Recitals to this Agreement and as depicted on Exhibit A.

K. “Effective Date”. Shall have the meaning given in the introductory paragraph of this Agreement.

L. “Federal Transit Grant”. Shall mean a grant the City anticipates receiving from the Federal Transit Administration to pay a portion of the cost of the Parking Garage and transit center, planned as part of the Project.

M. “Incremental Revenues”. Shall mean the tax revenues pledged to the Development Area by the City and the County, as set forth in the Local Participation Agreement, and by the State, acting through KEDFA through the execution of the Tax Incentive Agreement with the Agency.

N. “Local Participation Agreement”. Shall mean the agreement pledging certain City and County Incremental Revenues to pay for Public Infrastructure Costs within the Development Area as set forth in the Local Participation Agreement, authorized by the Development Area Ordinance, or as it may be amended.

O. “KEDFA”. Shall mean the Kentucky Economic Development Finance Authority, which is assigned for administrative purposes to the Kentucky Economic Development Cabinet.

P. “Parking Garage”. Shall mean an approximate 300 space parking garage to be constructed to provide parking required for the Project and to service other parking needs in the area adjacent to the Project.

Q. “Private Project Elements”. Shall mean the elements of the Project that shall be privately developed and owned and operated, including, hotel, retail, restaurants, office and residential uses and other commercial aspects of the Project.

R. “Project”. Shall mean The Downtown Frankfort Development Project within the Development Area, more specifically described in Section IV and Exhibit “C” attached hereto, and which constitutes a mixed-use project and qualifies for a pledge of State Incremental Revenues.

S. “Project Costs”. Shall mean any capital investment as defined in the Act incurred or expended to undertake the Project.

T. “Project Financing”. Shall mean the financing needed to provide for the development and construction of the Project or any financing received by the Developer that is not from the City, County, or the State.

U. “Public Infrastructure Costs”. Shall mean the project costs incurred within the Development Area related to the construction and financing of the Project including both Approved Public Infrastructure Costs and Redevelopment Assistance, as each is defined by the Act and in the Local Participation Agreement, reimbursable by Incremental Revenues from the State, the City, and the County, respectively, a list of which are attached as Exhibit “B”.

V. “Redevelopment Assistance”. Shall mean the financial assistance provided by the City and County to the Development Area, as set forth in the Local Participation Agreement, and which shall be limited to paying for or reimbursing the costs incurred for Public Infrastructure Costs.

W. “State”. Shall mean the Commonwealth of Kentucky, including any of its agencies and departments.

X. “Tax Incentive Agreement”. Shall mean an agreement pledging certain State Incremental Revenues to pay for designated costs within the Development Area, as it may be amended, by and between the Agency and KEDFA.

Y. “Tax Increment Financing” or “TIF”. Shall mean the tax increment financing that is created, regulated and administered by the Act, Local Participation Agreement and the Tax Incentive Agreement.

Z. “Unavoidable Delays”. Shall mean delays due to labor disputes, lockouts, acts of God, enemy action, terrorist action, civil commotion, riot, governmental regulations not in effect at the date of execution of this Agreement, conditions that could not have been reasonably foreseen by the claiming party, or unavoidable casualty, provided such matters are beyond the reasonable control of the party claiming such delay.

### SECTION III Representations

A. The City and the Agency. The City and the Agency possess the requisite authority to enter into this Agreement, and neither the City nor the Agency, in this Agreement or any schedule, exhibit, document or certificate delivered in accordance with the terms of this Agreement, has made any untrue statement of a material fact or failed to state a material fact.

B. Developer Representations. The Developer represents and warrants that: (i) the Developer (a) is a limited liability company possessing the requisite authority to enter into this Agreement; (b) is not a "foreign person" as that term is defined in Section 1445 of the Internal Revenue Code; (c) has not, in this Agreement or any schedule, exhibit, document, or certificate delivered in accordance with the terms of this Agreement, made any untrue statement of a material fact or failed to state a material fact; and (d) would not enter into this Agreement to undertake and construct the Project but for the commitment of the City, the County, and the Agency to provide financial and other incentives to the Project as provided in this Agreement; (ii) the execution of this Agreement and the construction of the Project by the Developer will not knowingly violate any applicable statute, law, ordinance, code, rule, or regulation or any

restriction or agreement binding upon or otherwise applicable to the Developer; and (iii) there are no undisclosed actions, suits or proceedings pending or threatened against the Developer which would, if adversely determined, have a material effect on the Developer's ability to enter into this Agreement or construct the Project in accordance with this Agreement.

C. The Developer further represents when necessary to meet the needs of the City in the construction of the Parking Garage, it will convey title for the Parking Garage site to the City, and/or dedicate title for the Washington Street Extension and take other required steps for the development of the Project as provided in this Agreement.

#### SECTION IV Project

A. The Project proposed by the Developer or its affiliates is expected to include Private Project Elements, including stand-alone and mixed-use buildings which shall include new restaurant, retail, office and residential uses with an estimated capital investment of approximately \$50 Million, and may include upgrades and enhancements to the Capital Plaza Hotel and a new YMCA (with the understanding the YMCA shall not be financed or constructed by the Developer), and related Public Infrastructure Costs, including a Parking Garage; with the understanding that the Developer, or its Affiliates, may contract with any company to develop, construct and/or operate the various Private Project Elements, and the Developer shall have the right to assign any rights created by this Agreement to one or more of the Affiliates.

B. The Project shall be generally constructed in accordance with the Project Vision that has been presented to the City, as shown in Exhibit C, with the understanding that updates to the Project Vision are subject to the approval of the City Board of Commissioners, which approval shall not be unreasonably withheld so long as the updates or changes are generally consistent with the scope of the Project as shown in the Project Vision, and detailed plans and

specifications for the Project must meet all of the normal zoning and other related governmental approvals applicable to the development of property in the City.

C. The Developer and its Affiliates shall remain in good standing with the Office of the Secretary of State and the City of Frankfort, Kentucky (Business License, Payroll Tax, Zoning and Code Enforcement, etc.) for the full term of this Agreement. In addition, the Developer and its Affiliates shall provide a listing of their officers and managers to the Agency upon request following the execution of this Agreement, with the current officer and managers of the Developer and its Affiliates being listed on Exhibit "D" attached hereto.

D. Except as provided in Section V of this Agreement, the Project shall be financed with Project Financing and equity provided by the Developer, and its Affiliates or third parties, subject to the pledge of Incremental Revenues to reimburse the Developer for Public Infrastructure Costs, as set forth in Section VI of this Agreement, the Local Participation Agreement, and Tax Incentive Agreement.

E. The Developer shall keep the City and Agency informed as to the status of the Project Financing for the Project, and the overall schedule for the construction and completion date of the Project.

F. The Project shall be constructed in accordance with state requirements that govern the development of property within Kentucky. Developer shall not commence any site improvements without first obtaining the necessary permits and/or approvals from the relevant State government and/or the City agencies.

G. The Developer agrees to proceed expeditiously to complete construction plans and specifications to a level adequate to obtain all permits and approvals necessary to complete construction of the Project. The Developer anticipates that the construction on the Private

Project Elements, and construction of the Washington Street Extension (as hereinafter defined) will begin immediately after the construction of the Parking Garage; provided that Developer agrees to undertake the following projects concurrently with the construction of the Parking Garage:

1. Demolition of the existing YMCA Building and preparation of that site for future development;
2. Convey to the City for no cost to the City the land needed to construct the Parking Garage; and
3. Concurrently with the construction of the Parking Garage Developer shall complete the sufficient plans for the Private Project Elements to be constructed by Developer and have said approved by the required local and State agencies so as to enable Developer to start construction of the Private Project Elements upon the completion of the Parking Garage.

H. The Developer agrees to construct the extension of Washington Street, together with related utilities and sidewalks, as shown on Exhibit E (the “Washington Street Extension”) in accordance with plans to be approved by the City, and dedicate at no cost to the City the Washington Street Extension as public street to the City, and with the understanding that the costs of the Washington Street Extension may be recovered as Public Infrastructure Costs in accordance with the priority for use of Incremental Revenues set forth in Section VI(c) of this Agreement;

I. The Developer shall document all Project Costs and Capital Investment, including which costs represent Public Infrastructure Costs associated with construction of the Project, and submit such costs to the City and the Agency in the format to be determined by the Agency and KEDFA, to enable the Agency and the City to comply with its reporting requirements as set forth

in the Local Participation Agreement and Tax Incentive Agreement. Should Developer fail to comply with these reporting requirements and cause the Agency to be unable to comply with the reporting requirements in the Tax Incentive Agreement and/or Local Participation Agreement, the City, may at its option, suspend any reimbursements due the Developer from Incremental Revenues, until such time as the Developer complies with such reporting requirements; provided, that after notice the Developer fails to provide the requested information, or repeatedly provides the information late, the City and Agency may terminate this Agreement, in which case the City shall provide written notice to the Developer of the termination.

J. The anticipated Public Infrastructure Costs are itemized in Exhibit “B” to this Agreement and are eligible to be fully reimbursed by the Agency according to the terms and conditions of the Local Participation Agreement. It is assumed that a portion of the costs associated with such improvements will be eligible costs for reimbursement from State Incremental Revenues under the Tax Incentive Agreement.

K. The Developer shall assist the Agency in complying with any reporting requirements mandated by the Local Participation Agreement and Tax Incentive Agreement, including assisting in computing the baseline “old revenues” applicable to the Development Area, and in calculating the Incremental Revenues that may be due to the Agency for deposit into the Special Fund from the City, the County, and the State. The Developer shall include provisions in any Affiliate agreements, construction agreements or leases relating to the construction or operation of the Project, to require the contractors constructing the Project and businesses operating within the Project to provide information, including federal and state tax identification numbers, etc., to the Agency or other information as may be required by the Agency, relating to the City and State taxes that may be generated from the Project.

L. The Developer and the City, shall jointly determine the date for activation of the TIF. The Developer agrees to provide the City with a statement of Project Costs and expenditures incurred for every six (6) month period upon preliminary approval of the TIF application and prior to activation of the TIF in compliance with the reporting requirements required by the State Tax Incentive Agreement.

M. The Developer, with assistance of the City and the Agency, shall prepare the application to KEDFA, but the City shall be responsible for paying all application fees, consultant fees, attorney fees or administration fees required by KEDFA, and all out-of-pocket fees and professional fees incurred by the City relating to the establishment of the Development Area and approval of the Tax Incentive Agreement, and any later amendments thereto.

SECTION V  
Parking Garage and Transit Center and Development Area

The Parties acknowledge that the City has applied for and anticipates receiving a Federal Transit Grant that would provide funds to pay part of the Public Infrastructure Costs of the Parking Garage.

A. That within sixty (60) days from the Effective Date the City will establish the Development Area in accordance with the Act and pledge its Incremental Revenues to the Development Area to be used as provided in this Agreement through the execution of the Local Participation Agreement.

B. The City shall be responsible for the construction of the Parking Garage, and the related public infrastructure improvements thereto, including any required utility improvements, as set forth in Exhibit B; provided, however, at the City's option the design and construction of the required improvements to Washington Street may be assigned to the Developer and reimbursed by the City from Incremental Revenues or other sources. The schedule for the

completion of the Parking Garage shall meet the Developer's needs so that the Parking Garage is open at the completion of the construction of the Private Project Elements. Provided, however, that notwithstanding any other provisions of this Agreement, the obligation of the City to finance and construct the Parking Garage shall be conditioned on (i) the approval of the Transit Center Grant in an amount and under terms satisfactory to the City, and (ii) the receipt of at least a one (1) year extension from the State of the time required of Developer to have the Parking Garage constructed, pursuant a separate agreement between the State and Developer relating to the Project site.

C. The Parking Garage will include a transit center and include approximately 5,000 square feet of administrative and public space. The first level of the Parking Garage shall have a higher clearance to accommodate the needs of transit vehicles.

D. The Parking Garage and related transit center shall be designed and constructed using a competitive procurement process in accordance with Federal Transit and applicable State procurement guidelines. The design of the Parking Garage shall be coordinated with the plans for the Private Project Elements. The Developer may review and provide comments on the design of the Parking Garage to ensure the Parking Garage accommodates the needs of the Private Project Elements to be constructed by the Developer.

E. The construction of the Parking Garage and the Private Project Elements, to be constructed by the Developer shall be coordinated between the City and Developer to ensure an orderly construction of the overall Project and Parking Garage.

F. The City and Developer shall enter into cross easements and related other agreements that may be needed to allow that part of the Project to be constructed by the Developer to connect to the Parking Garage.

G. The Developer shall convey and/or dedicate to the City, sufficient land, at no cost, to enable the City to construct and operate the Parking Garage and related infrastructure improvements, including the improvements needed to Washington Street.

H. The City shall own and operate the Parking Garage and transit center, with the understanding the Parking Garage will be operated to support the needs of the Project and the surrounding businesses. The City anticipates financing the construction of the Parking Garage using taxable bonds (the “Bonds”).

I. While the structure of the Bonds to be issued by the City to pay for its costs as set forth in this Section V of the Agreement has not been determined, it is anticipated the Bonds will be issued as taxable general obligation debt of the City to reduce the financing cost of the Bonds.

#### SECTION VI Priority on the Use of Incremental Revenues

Pursuant to the provisions of the Act and the Local Participation Agreement, the City, the Agency and the Developer anticipate activating the TIF no later than four (4) years after execution of the Tax Incentive Agreement. In consideration of the Developer constructing the Project and complying with the requirements and conditions of Section IV of this Agreement, the City, Developer, and the Agency agree that the priority for the use of the Incremental Revenues received by the Agency shall be as follows:

A. The Incremental Revenues shall first be used to meet the annual obligation of the Bonds, together with related interest and financing costs thereon, along with any debt service coverage requirements, with the understanding that the Bonds shall be the costs incurred by the City for the Public Infrastructure Costs set forth in Section V of this Agreement, after deducting the Federal Transit Center Grant.

B. After the annual obligations set forth in Section VI(A) of this Agreement have been fully satisfied, the Incremental Revenues shall be used to pay for or reimburse other Public Infrastructure Costs for the Parking Garage and transit center and related improvements incurred by the City and not paid for from the proceeds of the Bonds or the Federal Transit Grant, if any.

C. After the annual obligations set forth in Section VI(A) and VI(B) of this Agreement have been fully satisfied and the Developer meeting its obligations set forth in Section IV of this Agreement, Incremental Revenues received by the Agency pursuant to the Local Participation Agreement and/or Tax Incentive Agreement shall be annually paid to the Developer to reimburse the Developer for the costs of the Washington Street Extension, as certified to the Agency by the Developer, and paid by the Developer.

D. After the obligations set forth in Section VI(A), VI(B) and VIC of this Agreement have been fully satisfied, Incremental Revenues received by the Agency pursuant to the Local Participation Agreement and/or Tax Incentive Agreement may be used by the Agency to pay for other eligible capital costs within the Development Area as set forth in the Local Participation Agreement and/or Tax Incentive Agreement.

E. It is understood by the Parties that after the activation of the TIF, any State Incremental Revenues that may be generated and available to be paid by the State to the Agency pursuant to the provisions of the Tax Incentive Agreement, shall be held in escrow without interest accruing thereon, until the Minimum Capital Investment in documented Project Costs, required for the release of State Incremental Revenues, are certified as may be provided in the Tax Incentive Agreement. It is further understood that the payment of State Incremental Revenues to the Agency are limited to reimbursement for Approved Public Infrastructure Costs,

and other approved costs identified in the Tax Incentive Agreement, that are certified by the Agency to the State and approved by the State.

F. Notwithstanding anything to the contrary, nothing in this Agreement shall be interpreted to commit the City and/or the Agency to pay for or reimburse any Project Costs to the Developer, except from the Incremental Revenues that may be generated within the Development Area and due to the Agency as provided in the Local Participation Agreement and the Tax Incentive Agreement.

## SECTION VII Default

If any Party or any Parties (in either case, the “Defaulting Party”) materially breaches or defaults on any of its obligations under this Agreement, the other Parties may give notice that remedial action must be taken by the Defaulting Party within sixty (60) days of the notice. The Defaulting Party shall correct such breach or default within sixty (60) days after such notice; provided, however, if (i) the default is one which cannot with due diligence be remedied by the Defaulting Party within sixty (60) days, and (ii) the Defaulting Party proceeds as promptly as reasonably possible after such notice and with all due diligence to remedy such default, the period after such notice within which to remedy such default shall be extended for such period as may be necessary to remedy the same with all due diligence. If such action is not taken, the non-defaulting parties may, in addition to all other remedies available at law or in equity (including but not limited to specific performance and/or recovery of damages, including reasonable attorneys’ fees and other costs and expenses), terminate this Agreement, or the portion of it affected by the default, by giving ten (10) days written notice to the defaulting Party or Parties.

In the event this Agreement is terminated, the City and the Agency shall be (i) relieved of any executory obligations under this Agreement, and (ii) released from undertaking any additional obligations as provided in this Agreement.

SECTION VIII  
Miscellaneous Provisions

A. Term; Survival; Termination. The term of this Agreement shall be from the date of this Agreement until the earliest of (i) the final payment of the Incremental Revenues and the use of such Incremental Revenues pursuant to this Agreement, the Local Participation Agreement and the Tax Incentive Agreement, or (ii) the termination of this Agreement in accordance with its terms, or (iii) the termination of the Local Participation Agreement and the Tax Incentive Agreement. This Agreement shall not terminate upon the execution of any agreements required or contemplated by this Agreement, or referred to in this Agreement, and the provisions of this Agreement shall not be deemed to be merged into any such agreements, it being the intent of the Parties that this Agreement shall survive the execution and delivery of any such agreements and shall continue throughout the entire development of the Development Area.

B. Governing Law. The laws of the Commonwealth of Kentucky shall govern as to the interpretation, validity and effect of this Agreement.

C. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall to any extent be held in any proceeding to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it was held to be invalid or unenforceable, shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law, but only if and to the extent such enforcement would not materially and adversely frustrate the parties' essential objectives as expressed herein.

D. Force Majeure. The City, Agency or Developer shall not be deemed to be in default in the performance of any obligation on such parties' part to be performed under this Agreement, other than an obligation requiring the payment of a sum of money, if and so long as the non-performance of such obligation shall be directly caused by Unavoidable Delays; provided, that within fifteen (15) days after the commencement of such Unavoidable Delay, the non performing party shall notify the other party in writing of the existence and nature of any such Unavoidable Delay and the steps, if any, which the non-performing party shall have taken or planned to take to eliminate such Unavoidable Delay (provided, however, that a failure to give such notice timely shall not be a default hereunder or impair the non-performing party's immunities hereunder or account of Unavoidable Delay, unless the failure to give such notice timely actually prejudices the other party). Thereafter, the non-performing party shall, from time to time, on written request of the other party, keep the other party fully informed, in writing, of further developments concerning such Unavoidable Delay and the effort being made by the non-performing party to perform such obligation as to which it is in default.

E. Notices. Any notice to be given under this Agreement shall be in writing, shall be addressed to the party to be notified at the address set forth below or at such other address as each party may designate for itself from time to time by notice hereunder, and shall be deemed to have been given upon the earliest of (i) three (3) days following deposit in the U.S. Mail with proper postage prepaid, Certified or Registered, Return Receipt Requested, (ii) the next business day after delivery to a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement, satisfactory with such carrier, made for the payment of such fees, or (iii) receipt of notice given by telecopy or personal delivery:

If to the City: City of Frankfort, Kentucky  
Attn: City Manager  
315 West 2<sup>nd</sup> Street  
Frankfort, Kentucky 40601

With Copies to: City Attorney  
315 West 2<sup>nd</sup> Street  
Frankfort, Kentucky 40601

If to the Agency: City of Frankfort Finance Department  
Attn: Finance Director  
315 West 2<sup>nd</sup> Street  
Frankfort, Kentucky 40601

If to Developer: New Frankfort Development LLC  
Attn: Luther M. Johnson  
2365 Harrodsburg Road, Suite B175  
Lexington, Kentucky 40504

With Copies  
(which shall not  
constitute notice) to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

G. Approvals. Whenever a party to this Agreement is required to consent to, or approve an action by the other party, or to approve any such action to be taken by another party, unless the context clearly specifies a contrary intention, or a specific time limitation, such approval or consent shall be given within ten (10) business days and shall not be unreasonably withheld, conditioned or delayed by the party from whom such approval or consent is required.

H. Entirety of Agreement. As used herein, the term “Agreement” shall mean this Master Development Agreement and the Exhibits attached hereto. This Agreement embodies the entire agreement and understanding of the parties hereto with respect to the subject matter herein contained, and supersedes all prior agreements, correspondence, arrangements, and understandings relating to the subject matter hereof. No representation, promise, inducement, or statement

of intention has been made by any party which has not been embodied in this Agreement or the previous agreements that are referenced herein, and no party shall be bound by or be liable for any alleged representation, promise, inducement, or statement of intention not so set forth. This Agreement may be amended, modified, superseded, or cancelled only by a written instrument signed by all of the Parties hereto, and any of the terms, provisions, and conditions hereof may be waived only by a written instrument signed by the waiving party. Failure of any party at any time or times to require performance of any provision hereof shall not be considered to be a waiver of any succeeding breach of any such provision by any party.

I. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

J. Headings. The headings in this Agreement are included for purposes of convenience only and shall not be considered a part of this Agreement in construing or interpreting any provision hereof.

K. Exhibits. All exhibits to this Agreement shall be deemed to be incorporated herein by reference and made a part hereof, above the signatures of the parties hereto, as if set out in full herein.

L. No Waiver. No waiver of any condition or covenant of this Agreement to be satisfied or performed by the City, Agency, or Developer shall be deemed to imply or constitute a further waiver of the same, or any like condition or covenant, and nothing contained in this Agreement nor any act of either party, except a written waiver signed by such party, shall be construed to be a waiver of any condition or covenant to be performed by the other party.

M. Construction. No provisions of this Agreement shall be construed against a Party by reason of such Party having drafted such provisions.

N. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute an original document.

O. Relationship of the Parties. Except as expressly stated and provided for herein, neither anything contained in this Agreement nor any acts of the Parties hereto shall be deemed or construed by the Parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of association between any of the Parties of this Agreement.

P. No Third Party Beneficiary. Except as otherwise specified herein, the provisions of this Agreement are for the exclusive benefit of the City, the Agency, and the Developer, any lender providing financing to Developer, and their successors and permitted assigns, and not for the benefit of any other person or entity, nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any other person or entity.

Q. Diligent Performance. With respect to any duty or obligation imposed on a party to this Agreement, unless a time limit is specified for the performance of such duty or obligation, it shall be the duty or obligation of such party to commence and perform the same in a diligent and workmanlike manner and to complete the performance of such duty or obligation as soon as reasonably practicable after commencement of the performance thereof. Notwithstanding the above, time is of the essence with respect to any time limit specified herein.

R. Assignment of Rights and Delegation of Duties. Neither the City nor the Agency shall assign this Agreement without the prior written consent of the Developer, which shall not be unreasonably withheld. The Developer shall have the right to assign this Agreement, or any part hereof, to an Affiliate, provided the assignee shall assume all assigned liabilities and

KMK 04-05-2021

obligations of the Developer hereunder and the City provides its consent in advance in writing, which consent shall not be unreasonably withheld.

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*Signature Page to Master Development Agreement.*

**IN WITNESS WHEREOF**, the Parties hereto have hereunto set their hands on the date and year first above set forth herein, to be effective as of the Effective Date.

**CITY OF FRANKFORT, KENTUCKY**  
A Kentucky City of the Home Rule Class

By: \_\_\_\_\_  
Layne Wilkerson

Its: Mayor

Date: \_\_\_\_\_

**FINANCE DEPARTMENT OF THE CITY OF  
FRANKFORT, KENTUCKY**

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**NEW FRANKFORT DEVELOPMENT LLC**  
a Kentucky limited liability company

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

Name: Luther M. Johnson, Manager

Date: \_\_\_\_\_

## Exhibit A: Downtown Frankfort Development Project

The Project is a mixed-use commercial, residential and hospitality project with the following uses:

- A. Office.
- B. Retail.
- C. Restaurant.
- D. Residential.
- E. Potential expansion of Capital Plaza Hotel.
- F. Possible new YMCA to be developed by the YMCA.
- G. Related site development and infrastructure improvements including:
  - 1. Parking Garage.
  - 2. Washing Street Extension.
  - 3. Site preparation at Public Square.
  - 4. Broadway Street Improvements.

## Exhibit B: Public Infrastructure Costs

### BLOCK B AND C:

300 Space Parking Structure:	\$8,500,000
Washington Street Improvements:	\$1,500,000
Site Preparation/Public Space :	\$3,125,000
Demolition:	\$ 500,000

### BROADWAY STREET IMPROVEMENTS:

Street lights – Between Wilkinson Boulevard and Washington Street. Replace existing lights on the north side with poles and fixtures similar to existing street lights along Broadway.

Curb along railroad tracks – Paint the curb between Washington Street and High Street.

Public art – Establish a few locations for free-standing public art pieces.

Trees – Between Wilkinson Boulevard and High Street, where appropriate.

Sidewalk/curb ramps – Between Wilkinson Boulevard and High Street. Reconstruct any non-standard curb ramps and repair any sidewalk sections.

## Exhibit C: Project Vision

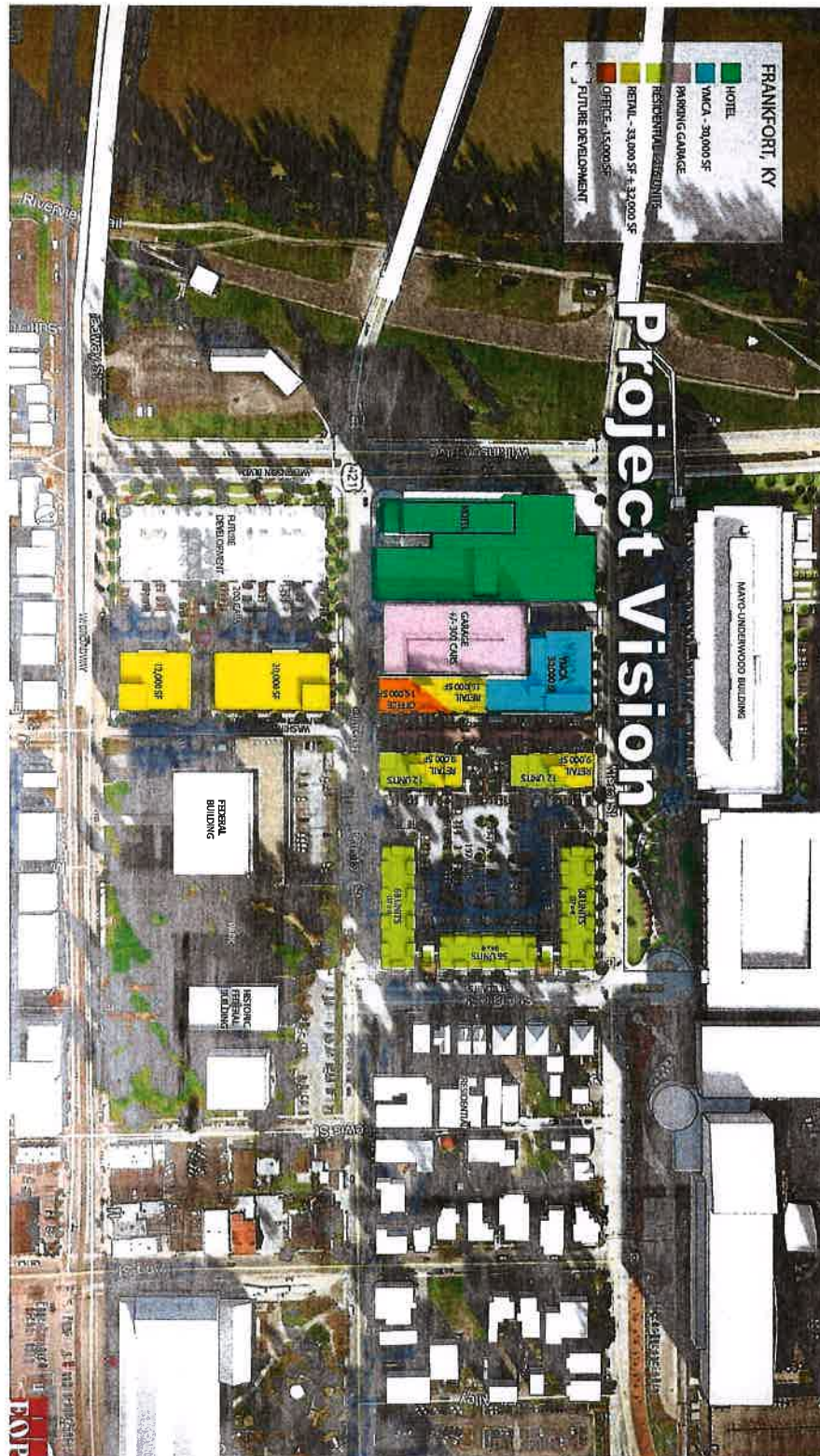


Exhibit D: Officials of Developer and Affiliates

New Frankfort Development Member: Luther M. Johnson

CRM Companies Sole Member: Craig Turner

Exhibit E: Washington Street Extension

Future Washington Street Extension Map

