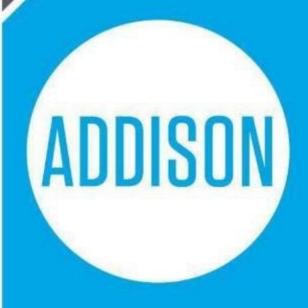
Fourth Amendment to the Memorandum of Understanding for Development Around the Addison Silver Line Station





Preferred Development Partner

 The team of AMLI Residential/Stream Realty Partners was chosen through a competitive RFP process as the master developers for land owned by the Town and DART around the Addison Silver Line rail station.





Phase I – Addison Road and Festival Way

- Six-story 160,000 square foot Class A office building
- 3,800 square feet of retail space
- 466 space parking garage

Phase I – Retail/Restaurant/Entertainment – Facing Addison Circle Park

Indoor - outdoor entertainment and dining venues oriented around a central greenspace

Phase I – Quorum Drive, Festival Way and Arapaho Road

- Two multi-family buildings
 - High rise: 14 stories and 270 units with 10,000 square feet of retail space
 - Mid rise: 7 stories and 412 units with 5,000 square feet of retail space



Phase II – DART Property at Quorum Drive and Arapaho Road

- Six-story 150,000 square foot Class A office building integrated with an 850space parking garage
- Contains structured parking for DART riders and contemplates potential reconfiguration of bus, rail, and other mobility operations

Phase III – DART Property at Addison Road and Arapaho Road

120 room boutique hotel

Project Timeline

- Phase I construction commences in 2025
- Estimated project completion (all phases) in 2028

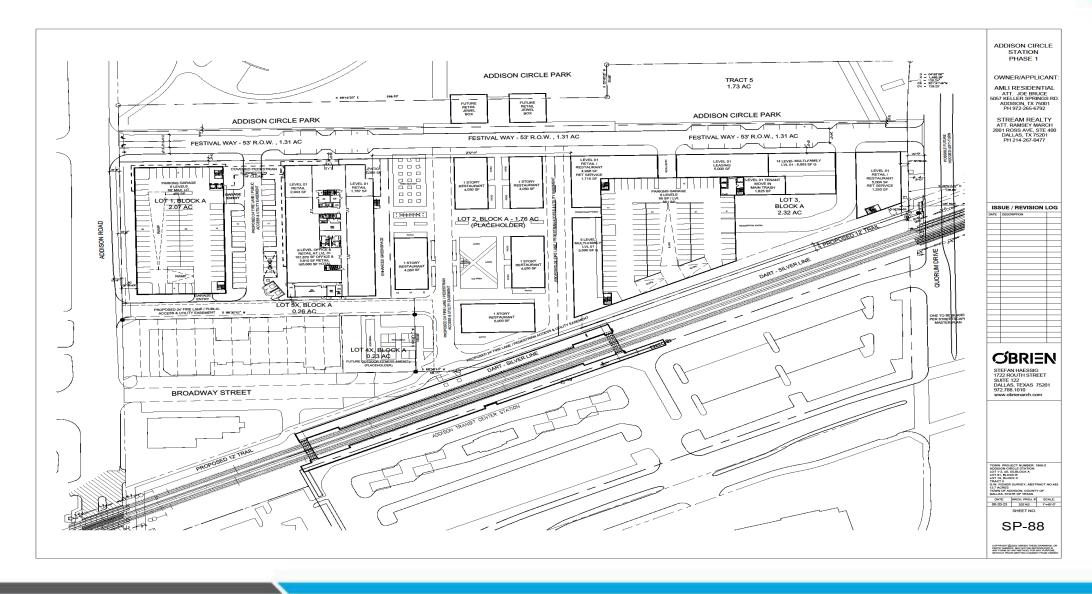




Changes to Phase I Plan (Will require amending the PD zoning)

- Stream Office Building and Parking Garage
 - 150 parking spaces for retail/restaurant/entertainment node moved to AMLI tower garage
- AMLI Multi-Family Tower and Parking Garage
 - Height of tower increases from 13 stories to 14 stories
 - Western part of building steps down to 7 stories and then 5 stories
 - Parking garage changed from podium design to a wrap design with the addition of 150 retail parking spaces
 - Trash and service area for retail/restaurant/entertainment tucked under building





Original Memorandum of Understanding (MOU)

Approved on April 12, 2022

First amendment to the MOU

- Approved on November 8, 2022
- Updated project schedule and due diligence period

Second amendment to the MOU

- Approved on January 10, 2023
- Included minor modifications to:
 - office and restaurant / retail /entertainment square footage
 - number of multifamily residential units, associated parking, and site improvements
 - refinements to project schedule
 - set conditions for developer team to pursue a new partner for the retail / restaurant / entertainment node at the core of the project

Third amendment to the MOU

- Approved on April 25, 2023
- Modified the following Stream economic development incentives:
 - Town financing for the parking structure, with Stream to pay all debt service costs in excess of \$6 million Town contribution, and allocation of parking spaces between public and tenants.
 - Reduction in term of Towns' proposed Office Master Lease from 5 years to 3 years but retaining the same level of investment (\$10.35 million).



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Third amendment to the MOU

- Modified the following AMLI economic development Incentives:
 - Allow pre-paid ground rent to be refundable provided AMLI meets specific plan submittal deadlines.
 - Annual ad valorem tax incentive for AMLI, up to \$6.5 million cumulatively, if needed to address a projected gap in the required and actual Return on Costs (ROC) for the project.
 - Conversion of proposed 10-year, \$1.5 million sales tax rebate to infrastructure reimbursement grant.



Fourth Amendment to the MOU - Stream

- Reduce parking garage incentive from \$6 million to \$4.1 million in response to retail parking being moved to AMLI tower garage
- Reduce the Master Office Lease value from \$10,350,000 to \$8,625,000 and change term from 3 years to 2.5 years.



Fourth Amendment to MOU – AMLI

- Town contributes \$3.4 million in bond funding for inclusion of the retail parking spaces in the tower parking garage. The retail parking spaces must be open to the public.
- Annual ad valorem tax incentive increased from 5
 years to 6 years and from \$6.5 million to \$8 million
 cumulatively, if needed.
- \$1.5M retail sales tax incentive is applied to tax incentive instead.
- Town to reimburse for multi-family off-site infrastructure costs.



Town's Participation – Stream, AMLI and Retail Node



Phase I Incentive Requests (Estimated Value)

	Orig	inal MOU	Thir	d Amended MOU	Curr	ent Proposal
Office Land Contribution (2.0 acres)	\$	2,000,000	\$	2,000,000	\$	1,700,000
Office Lease Commitment (Potential Cost over 3 years)	\$	10,350,000	\$	10,350,000	\$	8,625,000
Office Parking Garage Contribution	\$	6,000,000	\$	6,000,000	\$	4,100,000
Retail Parking Garage Contribution					\$	3,400,000
Public Infrastructure Costs (Retail Node) (If Needed)	\$	1,500,000	\$	3,000,000	\$	1,500,000
Sales Tax Rebate (Retail Node) Cap	\$	1,500,000	\$		\$	
Permit Fee Waivers (Developers Pay \$519,576)	\$	1,560,302	\$	1,560,302	\$	1,560,302
AV Tax Grant Max (If Needed)			\$	6,500,000	\$	8,000,000
Infrastructure Reimbursement*	\$	4,400,000	\$	7,500,000	\$	9,000,000
	\$	27,310,302	\$	36,910,302	\$	37,855,302

^{*}Current estimate of infrastructure reimbursement could range from \$5M - \$10M

Project Timeline



Phase 1

•	Revisions to PD Zoning Approved by City Council	October 30, 2023
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- Execution of All Definitive Agreements October 30, 2023
- AMLI Submits Infrastructure Plan
 April 15, 2024
- Stream Submits Office/Parking Garage Building Permit Application October 30, 2024
- AMLI Submits Tower Building Permit Application
 October 30, 2024
- Stream Starts Construction on Office/Parking Garage
 March 2025
- AMLI Starts Construction on Tower
 March 2025
- AMLI Starts Construction on Podium
 May 2026

Next Steps



Short Term

- Town and developers to finalize terms of financial transactions, development agreements, economic development incentives and other definitive agreements, by October 31, 2023.
- Developer to submit revised PD zoning request.
- Town and DART to finalize master lease for DART property.

Long Term

 Developers to submit detailed construction plans and building permits to commence construction.



QUESTIONS?