

Memorandum

To: George Austin
CC: Kevin Delorey; Kevin Ramakrishna
From: Beitler Real Estate Services LLC
Date: 6/13/2016
Re: **Judge Doyle Square – Informational Report Clarifications**

Dear Mr. Austin,

After further review of the Memo dated June 10, 2016 to the Board of Estimates from the Judge Doyle Square Negotiating Team (“Memo”), we have identified areas that require clarification on the four unresolved issues in the Development Agreement.

Below are points of clarification we are requesting be submitted to the Board of Estimates to assist their decision process taking place on June 13, 2016.

DEVELOPMENT SERVICES AGREEMENT – Section 5.1(a)

Approximately \$150M of the Project will be the Private Development and the success of the Private Development is heavily impacted by the smaller Public Development. In order to ensure the most expeditious delivery of the Public Development, Beitler must have day to day management of the entire Project.

This does not remove the City’s ability to have input or influence in the Public Project.

GE GARAGE DEMOLITION TIMING – Section 5.1(e)

Beitler’s initial position for phasing was under the assumption that the Public Ramp could be delivered in a 12 month period. It was not until recently that the City provided a timeline (see the Appendix B) that indicated the Block 105 site **would not be available for 30 months or 2.5 years.**

Working to balance minimizing displaced parking while also ensuring the development of the Project can proceed, Beitler proposed the development of Block 105 “early” only in the event Beitler had secured financing for Block 105.

In short, the 2.5 year hold period is unreasonable as no financing source will set funds aside for a Project 2.5 years in advance nor can a Project be underwritten for a start date 3.5 years from today.

PROJECT LABOR AND LABOR PEACE AGREEMENTS – Section 5.2(f) & 5.2(c)

We have agreed to terms with the Negotiating Team for this section. Beitler's position is supportive of Project Labor and Labor Peace and is consistent with Beitler's Memo to the City dated 3/2/16.

TERMINATION PROVISIONS – Section 12.1(b)

The wording between the attorneys appears to say the same thing. Beitler is agreeable to the time frame outlined in 5.2(d) as a termination provision and will have our attorney review and verify.