

JDS Position Statement on Parking

The CDA will construct the entire parking ramp using the sources of funds identified in the Development Agreement. JDS will administer construction of the ramp for the CDA pursuant to an agreement to be executed by the parties at closing. The condominium documents to be recorded at closing will divide the ramp into a 600-space Public Unit and a 650-space Private Unit. The condominium documents will address issues such as reciprocal access rights between the units and easements for common structural support, etc. Upon completion of construction, the CDA will (i) convey the Public Unit to the City for operation by the City's Parking Utility and (ii) lease the Private Unit to JDS (the "Parking Lease"; see attached term sheet).

The 650 parking spaces within the Private Unit are located as follows: approximately 69 spaces on Basement Level 1 and 581 spaces on Basement Levels 2, 3 and 4.

The term of the Parking Lease will be 27 years, corresponding with the underwriting period for the City's TIF investment in the ramp, with ownership of the Private Unit being transferred to JDS at the end of the term. The City's investment will be recouped through (i) tax increment generated by new development on Block 88 and Block 105, (ii) an annual rent payment of \$115,000, and (iii) a terminal purchase price to be paid by JDS of \$4,000,000.

During the term, JDS will have the right to use all 650 spaces within the Private Unit. Fifty spaces will be reserved for use by the Hotel to be constructed on Block 105. JDS will charge all users a commercially reasonable parking rent, including Exact Sciences. In exchange for the annual rent payment to the CDA, the obligation to maintain the Private Unit and the obligation to generate tax increment, JDS will retain all parking rents generated from the 650 spaces within the Private Unit.

Although there will be two separate parking units for purposes of ownership, the ramp has been designed as a single, integrated ramp with common entrances/exits. All parking entrances/exits to the ramp will be operated by the City Parking Utility. The Parking Utility and JDS will cooperate with one another to ensure compatible parking management systems and equipment. Hotel guests and individuals with monthly parking passes issued by JDS (e.g. tenants of the Block 88 office building) will be required to park in the private portion of the ramp. The parking management system will be configured so it is capable of tracking any hourly parkers who park in Private Unit spaces vs. Public Unit spaces. The Parking Utility shall account for all hourly parking revenues received and shall transmit the portion attributable to the Private Unit to JDS on a monthly basis.