

Development Agreement terms between City of Dover, New Hampshire (“City”) and 104 Washington Street, LLC and The Sidney Robbins Family Trust (collectively the “Owner”)

1. The Owner seeks develop, or to enter into an agreement with a purchaser who is seeking to develop, the properties known as Map 2, Lots 4, 5, 6, 6A, 7, 8, 8A and 9, consisting of 1.15 acres, more or less, and which fronts along Washington Street between Locust Street and Chestnut Street (the “Project Site” and the developer of the Project Site, the “Developer”). A more detailed agreement will be signed by the parties with the terms set forth herein and additional terms as is customary in New Hampshire (the “Development Agreement”).
2. If, at any time, the Developer develops the Project Site in such a way that the City and Developer agree that it is more likely than not that the assessed value of the Project Site is at least twenty percent (20%) higher, upon completion, than the assessed value for the Project Site prior to such development, then:
 - a. The City shall convey Map 2, Lots 2 and 3 (the “City Parking Lots”) to the Developer by warranty deed, subject to any easements, covenants or restrictions of record (except the courthouse parking lease/restriction, below), for One Dollar (\$1.00), but free and clear of any hazardous materials or substances (as those terms are defined in federal and state laws). The City’s obligation to convey the City Parking Lots is subject to the ability of the City to obtain the release of a lease with the State of New Hampshire to use the City Parking Lots as overflow parking for the adjacent courthouse.
 - b. The Developer shall keep the City reasonably informed of intentions by Developer regarding the use of the City Parking Lots as part of any development, including whether the City Parking Lots will be used for parking or the construction of structures. The City shall keep the Developer reasonably informed of its efforts to obtain the release of the State of New Hampshire lease. Notwithstanding the foregoing, there shall be no obligation for the Developer to furnish information to the City during any period in which the Developer is subject to a non-disclosure obligation.
 - c. The City shall also provide to Developer fifteen (15) parking permits for parking spaces located either within the parking garage on City’s adjacent lot or on the surface lot on Orchard Street for forty-five (45) years from completion of the development of the Project Site such that the assessed value of the Project Site is at least twenty percent (20%) higher, upon completion, than the assessed value for the Project Site prior to such development. Developer shall lease the parking spaces on the following payment schedule: (i) for the first twenty-five (25) years, the spaces shall be rent free, (ii) for the next ten (10) years, Developer shall pay 50% of the market rate for parking permits in downtown Dover, and (iii) for the last ten (10) years, Developer shall pay 66% of the market rate for parking permits in downtown Dover. Following the expiration of such forty-five (45) year period, Developer may continue to lease the fifteen (15) parking spaces at market rates for parking permits. In the event Developer abandons all or any of the parking spaces at any time, Developer shall have the right, continuing in perpetuity, to renew this parking arrangement for up to the 15 parking spaces, upon one (1) year’s

prior notice to City. The use of the City parking spaces shall be on a first come, first served basis.

3. If the City is unable to convey the City Parking Lots in the manner described in Section 2.a., above, the City shall provide Developer with parking permits for reasonably comparable motor vehicle parking at a location within six hundred (600) linear feet of the nearest lot line of the Project Site for the equivalent number of parking spaces in the City Parking Lots. The charges for the parking permits shall be based on the same graduated fee schedule set forth in Section 2.c., above. The parties acknowledge that the estimated cost of site remediation for the City Parking Lots is grounds for the City to assert that it is unable to convey the City Parking Lots. The City acknowledges that to provide such reasonably comparable motor vehicle parking may (but not necessarily shall) require the construction of additional parking facilities or structures, or other accommodations not readily apparent to the parties given the current uses and layout of properties around the Project Site.
4. In the event that the development of the Project Site is approved, but construction is planned to be phased, the City shall convey the City Parking Lots to the Developer and the Developer shall enter into a development agreement which shall provide for joint use with the City of the City Parking Lots, such use to be phased proportionately based upon the phased construction plan.
5. As part of the development of the Project Site, the City desires to redesign the western side of the Project Site to align Chestnut Street at the intersection of Washington Street pursuant to a design consistent with good traffic engineering practices. Developer agrees that, as a part of a purchase and sale agreement, to require the ultimate purchaser to work in good faith with the City to accomplish the City goals, during which both parties shall take into consideration the planned development of the site, especially the planned use of the existing buildings which are on Chestnut Street in the layout of any redesign of Chestnut Street.
6. The City Manager shall obtain approval to execute a Development Agreement consistent with the terms and conditions in this term sheet. Any terms or conditions in the Development Agreement that represent changes or additions to the terms and conditions in this term sheet shall be subject to the consent and approval of the City, acting by and through its City Manager. Changes or additions considered material by the City Manager, in the City Manager's sole discretion, shall require approval by the City Council.
7. In the event that the City fails to approve the Purchase Agreement Term Sheet between One Twenty Five Washington Street, LLC, and City, or if said parties fail to enter into the Purchase Agreement, then the Developer, at its option, shall have no obligations hereunder.