

AGREEMENT

This Agreement (the "Agreement") is made and entered into this ____ day of _____, 2021, by and between the City of Newport (the "City") and the Newport Independent School District (the "District"), being the parties hereto.

WHEREAS, CPX NEWPORT COMMERCIAL DEVELOPMENT, LLC (the "Developer") intends to develop a mixed-use commercial and residential development and associated garage (the "Project") to be located within the 4th Street/Central Avenue Development Area in the City as part of the "Ovation" site; and,

WHEREAS, the Project will be built in phases over time with no certainty at present as to when each phase will be completed and what valuation to each phase will be established by PVA; and,

WHEREAS, the description of the phases and estimated costs of each phase are as submitted by the Developer to the City are set forth on Exhibit A hereto; and

WHEREAS, in recognition that the District is supportive of such development projects within the City and looking forward to future cooperation and partnership with the City on this and other economic development issues within the City.

NOW, THEREFORE, in consideration of the provisions contained herein the parties hereto agree, as follows:

1. During the thirty year term of the IRBs, the City will annually pay to the District payments in lieu of taxes ("PILOT") at the rate of \$2.00 per \$1000.00 of valuation.

2. The exact amount and timing of the PILOT cannot be determined at this time because the Developer is unable to commit to the timing and anticipated PVA values of each phase of the Project.

3. It is the intention of the parties to supplement this Agreement to establish the amount and timing of payment of the PILOT as each phase of the Project is completed.

4. The City will make any annual payment provided for herein to the District no later than thirty (30) days after the anniversary of the date the IRBs are issued.

5. The City and the District acknowledge and understand that any PILOT payment made hereunder shall not be considered in the calculation of incremental taxes under the Tax Incremental Financing (the "TIF") Agreement entered into between the City and the Developer.

6. Other than the ad valorem taxes mentioned herein, the Agreement does not affect or apply to any other taxes or fees that may be owed the Developer to the District

7. All notices sent to the City shall be sent to:

City of Newport, Kentucky
998 Monmouth Street 41071
Attn: City Manager

Newport Independent School District
30 West 8th Street
Newport, Kentucky 41071
Attn: Superintendent

8. The City and the District confirm and affirm the accuracy of the provisions contained herein

9. This Agreement may only be changed or modified, in writing, and executed by both parties hereto.

EXHIBIT "A"

H	Hotel	\$ 28,000,000.00
J	Office	\$ 25,000,000.00
A1	Townhomes	\$ 23,000,000.00
A2	Townhomes	\$ 21,000,000.00
A3	Townhomes	\$ 23,000,000.00
C1	Apartments	\$ 41,000,000.00
C2	Apartments	\$ 41,000,000.00
F	Grocery/Market	\$ 11,000,000.00
E	Amenity	\$ 12,000,000.00
G	Dual Brank Hotel	\$ 36,000,000.00
B1	Apartments	\$ 73,000,000.00
B1	Condos	\$ 16,000,000.00
B2	Apartments	\$ 90,000,000.00
B2	Condos	\$ 21,000,000.00
D	Hotel/Office	\$ 96,000,000.00
F1	Office	\$ 25,000,000.00
Total		\$ 582,000,000.00

* Phases in order of completion