

COMMUNITY CULTURAL CENTER AUDITORIUM / MICROSOFT "TEAMS"

EAST HARTFORD, CONNECTICUT

MARCH 11, 2024 6 PM

SPECIAL MEETING / PORT EASTSIDE DEVELOPMENT AGREEMENT

PRESENT Chair Richard F. Kehoe, Vice Chair Donald Bell, Jr. (via Teams), Majority Leader
In Chambers Sebrina Wilson, Minority Leader John Morrison, Councillors Angela Parkinson, Awet
Tsegai, Harry Amadasun, Tom Rup and Travis Simpson

ABSENT

ALSO Mayor Connor S. Martin
PRESENT Melissa McCaw, Chief Administrative Officer and Finance Director
Robert Fitzgerald, Assistant Corporation Counsel
Eileen Buckheit, Director of Development
Chris Reilly, President, Lexington Partners, LLC
David Panico, Partner, Robinson and Cole, LLC
Harris Simons – Principal, Figure Eight Properties

Chair Kehoe called the meeting to order at 6:07 p.m. The Chair announced the exit locations in accordance with Connecticut General Statutes §29-381, after which the Council joined him in the Pledge of Allegiance.

Development Agreement between the Town of East Hartford and Port Eastside, LLC

The Chair stated that the purpose of this Special Meeting is to review, discuss and vote on approval of a Development Agreement between the Town of East Hartford and Port Eastside, LLC. A presentation of the initial phase of project was made Chris Reilly from Lexington Partners at the March 5, 2024 Town Council Regular Meeting. Since that time, the Administration, Port Eastside group and CRDA have been finalizing details, and the Council has been provided with a final draft of the initial development agreement for approval at this meeting.

Mayor Martin expressed his excitement over the project and thanked the Council for calling tonight's meeting to expedite the approval of the agreement.

The Mayor introduced David Panico who has provided legal counsel to the administration on the agreement. Mr. Panico provided detail on revisions made to the agreement, which include clarity that the state grant provided to the town through CRDA can only be used for abatement and demolition costs and not construction unless the Town is given approval by the State Bond Commission.

The agreement was also revised to reflect that work on the project is subject to state and local procurement requirements. Further edits included changing the requirements of conversion of grant to a loan from completing construction of the project to requiring a building permit within the established four-year timeline. The expectation is to have the development agreement signed by the end of March. Mr. Panico advised that the Town may need to provide future

financial assistance such as a tax abatement or reduction of permitting fees in order to ensure the project's financial viability, which is common practice for such projects.

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF EAST HARTFORD,
CONNECTICUT APPROVING AN INITIAL DEVELOPMENT AGREEMENT
FOR THE PORT EASTSIDE PROJECT**

MOTION By Angie Parkinson
 Seconded by Tom Rup

to **adopt** the following resolution:

WHEREAS, the Town of East Hartford, Connecticut (the "Town") is the recipient of a grant-in-aid from the State of Connecticut, acting by and through the Capital Region Development Authority ("CRDA"), in the amount of \$6,500,000 for economic development activities, including development of the riverfront, creation of housing, and demolition of vacant buildings at Founders Plaza (the "CRDA Grant"); and

WHEREAS, Port Eastside, LLC (the "Developer") has proposed a multi-phase, mixed use development plan, including office, recreation, retail, transportation and living components on approximately thirty (30) acres of land along the Connecticut River (the "Project"); and

WHEREAS, the Developer is the owner of the real property at 20 Hartland Street and known as 99 Founders Plaza in the Town (the "Property"); and

WHEREAS, the Town and the Developer have negotiated an Initial Development Agreement ("Agreement") for the first phase of the Project, to consist of the demolition of the existing low-rise office building located on the Property, and, with the consent of the Town, other buildings and structures adjacent to the Property permitted by the State Bond Commission approval (the "Demolition Project") and construction of not less than 150 primarily residential apartments with a complementary retail component on the Property (the "Construction Project"); and

WHEREAS, the Agreement provides for the public bid of the Demolition Project in compliance with State and Town procurement requirements, with the assistance of CRDA; and

WHEREAS, the Agreement provides for the receipt of additional information with respect to the Construction Project, including a project budget and project schedule; and

WHEREAS, the Agreement provides for the Developer to obtain a building permit and any other permits required allowing it to construct the Construction Project on or before the four (4) year anniversary date of the effective date of the Agreement, subject to extension as provided therein; and

WHEREAS, in the event the Developer fails to obtain the permits necessary to construct the Construction Project by the date specified in the Agreement, the amount of the Grant spent as of such date shall convert to a loan on terms specified in the Agreement, which

loan shall be secured by an Open-End Mortgage Deed by the Developer to the Town;
and

WHEREAS, the Town has no obligation to commit any Town funds to the Project, other than the CRDA Grant, at this time; and

WHEREAS, the Town believes that the development of the Property and the execution of the Agreement are in the best interests of the Town;

NOW, THEREFORE, BE IT HEREBY RESOLVED: That the Mayor, on behalf of the Town, is authorized to sign the Agreement, as presented to the Town Council at its March 11, 2024 meeting and attached hereto as **Exhibit A**; provided technical changes to the Agreement may be made as approved by the East Hartford Corporation Counsel; and provided further, that a final signed Agreement along with a description of any such technical changes shall be provided to the Town Council within ten days of signing; and

RESOLVED: That the Mayor, or any designee of the Mayor, is hereby authorized to negotiate with the CRDA and the Developer to publicly bid the Demolition Project; and

RESOLVED: That the Mayor, or any designee of the Mayor, is hereby authorized to make, execute and deliver all such additional and supplemental documents, and to do and perform such acts and to take such actions as may be necessary or required for the consummation of the transactions provided for and contemplated by this Resolution, the Agreement and any supplements or amendments thereto.

On call of the vote, the motion carried 9/0

EXHIBIT A

Initial Development Agreement

(See Attached)

ADJOURNMENT

MOTION By John Morrison
 seconded by Don Bell
 to adjourn (6:36 p.m.)
 Motion carried 9/0

INITIAL DEVELOPMENT AGREEMENT

By and Between

PORT EASTSIDE, LLC

And

TOWN OF EAST HARTFORD, CONNECTICUT

INITIAL DEVELOPMENT AGREEMENT

THIS INITIAL DEVELOPMENT AGREEMENT ("**Agreement**") is made as of _____, 2024 (the "**Effective Date**"), by and between the TOWN OF EAST HARTFORD, CONNECTICUT, a public body corporate (which together with any successor public body or officer hereafter designated by or pursuant to law, is hereinafter referred to as the "**Municipality**") and PORT EASTSIDE, LLC, a limited liability company organized and existing under the laws of the State of Connecticut, and having an office at 433 South Main Street, Suite 112, West Hartford, Connecticut 06110, its successors and assigns (the "**Developer**").

WITNESSETH:

WHEREAS, the Developer is the owner of certain real property and all appurtenances thereto with an address of 20 Hartland Street and known as 99 Founders Plaza in the Town of East Hartford and State of Connecticut (the "**State**"), which property is more particularly described in **Exhibit A** (the "**Property**"); and

WHEREAS, development of the Property is the first phase of a multi-phase, mixed use development plan, including office, recreation, retail, transportation and living components on approximately thirty (30) acres of land along the Connecticut River (the "**Project**"), to be funded by private investment and such public funds as deemed necessary and appropriate by the State and the Municipality to ensure the Project's success and consistent with the Municipality's Plan of Conservation and Development; and

WHEREAS, the Developer intends to demolish the existing low-rise office building located on the Property and construct a commercial building on the Property as the first phase of the Project (the "**Phase 1 Project**"); and

WHEREAS, in order to permit the Developer to complete the Phase 1 Project, the Municipality, through funding from the Capital Region Development Authority ("**CRDA**"), has agreed to provide the Developer with a grant in the amount of Six Million Five Hundred Thousand and 00/100 Dollars (\$6,500,000.00), subject to the terms of this Agreement, for the abatement and demolition of buildings on and adjacent to the Property (the "**Grant**") pursuant to the State Bond Commission authorization, dated June 30, 2023 (the "**SBC Approval**"), to be used for the Phase 1 Project; and

WHEREAS, the Municipality believes that the Project is economically desirable to the Municipality, and in accord with the public interests of the Municipality.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, the parties do hereby covenant and agree as follows:

ARTICLE I GENERAL AND PROJECT DESCRIPTION

1.1 **Recitals Incorporated.** The foregoing recitals are incorporated into and made a part of this Agreement.

1.2 **Nature of Phase 1 Project.** Developer and Municipality agree that the Phase 1 Project is intended to consist of (a) the demolition of the existing low-rise office building located on the Property, and, with the consent of the Municipality, other buildings and structures adjacent to the Property permitted by the SBC Approval (the "**Phase 1 Demolition Project**") and (b) the construction of not less than 150 primarily residential apartments with a complementary retail component on the Property (the "**Phase 1 Construction Project**"). If

the Phase 1 Construction Project is to be used for any other use, such use shall be consented to by the Municipality in writing prior to the commencement of construction of the Phase 1 Construction Project.

1.3 Phase 1 Demolition Project.

(a) Bid Requirement. The Phase 1 Demolition Project shall be publicly bid in compliance with all applicable State and Municipality requirements. The Municipality will engage CRDA, as agent for the Municipality, pursuant to the Amended and Restated Memorandum of Understanding, signed August 2023 (the “**MOU**”), by and between the Municipality and CRDA, to assist the Municipality in bidding out the Phase 1 Demolition Project in accordance with applicable State and Municipality’s procurement requirements, including the Town of East Hartford Purchasing Ordinance. The Municipality will work with the CRDA to determine CRDA’s role in the bid solicitation and ensure that all procurement requirements are met.

Subject to applicable State and Municipality procurement requirements, the Municipality and the Developer will form a joint committee comprised of an equal number persons from each of the Municipality and the Developer (the “**Bid Committee**”) to work with CRDA to publicly bid the Phase 1 Demolition Project, including, but not limited to, determining the process, establishing the criteria to be used to evaluate the bids (including lowest cost), selecting the bidders to receive the bid solicitation, preparing the bid package(s), and setting the timing of the bid. Members of the Bid Committee from the Developer shall execute the Ethics and Confidentiality Agreement attached hereto as **Exhibit C**. The Municipality and the Developer may each recommend bidders to receive the solicitation. The Bid Committee shall determine qualified bidders responding to the solicitation, evaluating the qualified bids using the predetermined criteria, and selecting the qualified bidder to perform the Phase 1 Demolition Project (the “**Selected Bidder**”) in compliance with State and Municipality procurement and other requirements. CRDA shall not have a role in determining qualified bidders responding to the solicitation, evaluating the qualified bids using the predetermined criteria, or selecting the Selected Bidder. CRDA shall be paid for its services out of the Grant. The Municipality acknowledges and agrees that the Selected Bidder may be an affiliate of the Developer, subject to State and Municipality laws, ordinances and procurement requirements.

(b) Demolition Permit. The Developer shall apply to the Municipality for a demolition permit allowing it to complete the Phase 1 Demolition Project (the “**Demolition Permit**”).

(c) Contract with Selected Provider. Promptly upon the selection of the Selected Bidder, the Developer and the Selected Bidder will enter into a contract to perform the Phase 1 Demolition Project. Such contract shall incorporate all of the requirements set forth in the bid requirements, including applicable insurance and shall comply with all applicable state, federal and local law. CRDA shall provide the Municipality with contract administrative services pursuant to the MOU, which may include, among other services, clerk of the works, review of payment applications, and arranging for payment by the Municipality from the Grant. CRDA shall be paid for such services out of the Grant.

(d) Access to Property. Upon receipt of the Demolition Permit and satisfactory evidence of insurance, the Developer shall provide the Selected Bidder access to the Property to complete the Phase 1 Demolition Project.

1.4 Phase 1 Construction Project.

(a) Project Budget. Prior to the commencement of the Phase 1 Construction Project, the Developer shall provide the Municipality with a detailed project budget, including sources of funding and uses of all such funding, for the Phase 1 Construction Project (the “**Project Budget**”). The Developer will provide the Municipality with evidence of sufficient funds to finance the Phase 1 Construction Project, including, but not limited to, executed commitment letters from financial institutions, letters verifying amounts on deposit in accounts owned by the Developer, credit facilities available to the Developer and

other financial information satisfactory to the Municipality (the “**Financing Commitment**”). Developer will provide timely updates to the Project Budget, including any changes in the Financing Commitment, to the Municipality to reflect any changes in costs, new sources of funding and additional costs.

(b) **Building Permit**. Prior to the commencement of the Phase 1 Construction Project, the Developer shall apply to the Municipality for a building permit and any other permits required allowing it to construct the Phase 1 Construction Project (the “**Phase 1 Construction Permits**”).

(c) **Project Schedule**. The Developer shall provide the Municipality with a detailed schedule for the construction of the Phase 1 Construction Project (the “**Project Schedule**”), including the date for obtaining the Phase 1 Construction Permits, which shall be on or before the four (4) year anniversary date of the Effective Date of this Agreement, or the next succeeding business day if such anniversary date is not a business day in the Municipality (the “**Phase 1 Construction Project Permit Date**”), the date for obtaining the Financial Commitment, and the date of completion of the Phase 1 Construction Project (the “**Phase 1 Construction Project Completion Date**”). The Developer shall pursue the Phase 1 Construction Project in a prompt and efficient manner. The Developer shall complete each of the tasks (the “**Project Milestones**”) on or before the dates (“**Completion Dates**”) set forth in the Project Schedule. The Developer will provide timely requests for extensions to any of the Completion Dates for the Project Milestones, including the Phase 1 Construction Project Permit Date and the Phase 1 Construction Project Completion Date, to the Municipality, which extensions shall be in the sole and absolute discretion of the Municipality. Upon the occurrence of a Force Majeure Event (as defined herein), the Developer shall provide the Municipality with a revised Project Schedule, which shall be agreed to by the Municipality in its sole and absolute discretion, which shall not be unreasonably withheld or conditioned, after a good faith determination of the delay caused by the Force Majeure Event.

(d) **Failure to Obtain the Phase 1 Construction Permits by Phase 1 Construction Project Permit Date**. Notwithstanding anything in this Agreement to the contrary, in the event the Developer fails to obtain the Phase 1 Construction Permits by the Phase 1 Construction Project Permit Date, the amount of the Grant spent as of the Phase 1 Construction Project Permit Date shall convert to a loan, with interest due at an interest rate equal to the rate on a fifteen year Treasury note, plus four percent (4.00%), on the Phase 1 Construction Project Permit Date, with level monthly payments of principal and interest payable over a term of fifteen (15) years. To secure such loan, the Developer agrees to file a mortgage on the Property in favor of the Municipality in the form of **Exhibit B** attached hereto (the “**Phase 1 Construction Project Mortgage**”). In the event the Developer obtains the Phase 1 Construction Permits on or before the Phase 1 Construction Project Permit Date, the Phase 1 Construction Project Mortgage shall be released by the Municipality.

The Phase 1 Construction Project Mortgage shall be subordinate to first mortgage financing obtained by the Developer for the Phase 1 Construction Project in an amount agreed to by the Municipality, in its sole and absolute discretion. The Phase 1 Construction Project Mortgage may be further subordinated to additional financing or encumbrances as may be agreed to by the Municipality, in its sole and absolute discretion. The Municipality agrees to execute such documentation providing for such subordination.

(e) **Insurance Requirements**. The Developer shall maintain the insurance policies set forth on **Schedule A** until the Phase 1 Construction Project is completed.

ARTICLE II REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 **Representations Warranties and Covenants of the Municipality**. The Municipality represents and warrants to and covenants and agrees with the Developer, on an ongoing basis throughout the term of this Agreement, that:

(a) The Mayor has been duly authorized to execute and deliver this Agreement on behalf of the Municipality;

(b) This Agreement constitutes a legal, valid and binding obligation of the Municipality and is enforceable against it in accordance with its terms;

(c) The execution and performance of this Agreement by the Municipality will not result in or constitute any breach or violation of any indebtedness, contract or other agreement or instrument to which the Municipality is a party;

(d) The Municipality is not aware of any action, court, judiciary or administrative proceedings of any kind presently pending or threatened in regard to the Property; and

(e) The Municipality makes no representations whatsoever in connection with the condition of the Property, the Phase 1 Project, or the improvements, fixtures or equipment thereof. Subject to the rights of the Municipality hereunder, the Developer shall have sole and exclusive control of, possession of and responsibility for (i) the Property, (ii) the Phase 1 Project; (iii) the operation of the Phase 1 Project and supervision of the activities conducted therein or in connection with any part thereof; and (iv) the maintenance, repair and replacement of the Phase 1 Project.

2.2 Representations, Warranties and Covenants of the Developer. The Developer represents and warrants to and covenants and agrees with the Municipality, on an ongoing basis throughout the term of this Agreement, that:

(a) The Developer is a limited liability company, duly formed, legally existing and in good standing under the laws of the State;

(b) The Developer has full right, power and authority and is duly authorized to enter into this Agreement, to perform each of the covenants on its part to be performed hereunder and to execute and deliver, and to perform its obligations under all documents required to be executed and delivered by it pursuant to this Agreement;

(c) Each entity or person signing this Agreement on behalf of the Developer is authorized to do so and the Developer shall furnish to the Municipality any and all documents to evidence such authority as the Municipality shall reasonably request;

(d) Neither the execution, delivery, nor performance of this Agreement by the Developer, nor any action or omission on the part of the Developer required pursuant hereto, nor the consummation of the transactions contemplated by this Agreement will (i) result in a breach or violation of, or constitute a default under, any legal requirement, (ii) result in a breach of any term or provision of the operating agreement or articles of organization of the Developer, or (iii) constitute a default or result in the cancellation, termination or acceleration of any obligation, or cause any other breach or violation of any loan or other agreement, instrument, indenture, lease, or other material document to which the Developer is a party or by which any of the properties of the Developer is bound, or give any person or entity the right to declare any such default, cancellation, termination, acceleration, breach or violation or to exercise any remedy or obtain any other relief under any such loan or other agreement, instrument, indenture, lease, or other material document. The Developer is not and will not be required to give any notice to or obtain any consent from any person or entity in connection with the execution and delivery of this Agreement which has not already been given or obtained;

(e) All representations and warranties made by the Developer in this Agreement, and all information contained in any statement, document or certificate furnished to the Municipality in connection with this transaction, are free from any untrue statement of material fact and do not omit to state any material fact necessary to make the statements contained herein or therein misleading;

(f) The Developer has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by its creditors, (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of its assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of its assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally;

(g) Neither the Developer nor any of its principals, members or managers is a defendant or respondent in any legal proceeding, which, if determined adversely to the Developer or its principals, members or managers, will prevent the performance or materially impair the ability of the Developer to perform its duties and obligations under this Agreement; and no event has occurred which, with due notice or lapse of time or both, will constitute a material breach of any applicable law which will prevent or materially impair the ability of the Developer to perform its duties and obligations under this Agreement; provided, however, that in the event that subsequent to the Effective Date, if any, but not all, of the Developer's principals, members or managers shall become a defendant or respondent in a legal proceeding which, if determined adversely to such principal, member or manager, will prevent the performance or materially impair the ability of Developer to perform its duties and obligations under this Agreement, or is the reason an event has occurred that has or will constitute a material breach of a law which circumstance in either case would violate the covenant and warranty made in this paragraph, the Developer may, in addition to its right to cure the resulting default under Section 4.2 of this Agreement, may attempt to cure any default based on the violation of the covenant and warranty made in this paragraph by causing such person to resign from his position with Developer and through an assignment of his entire interest in Developer in compliance with Section 5.8 herein within sixty (60) days following notice from the Municipality of the default;

(h) Neither the Developer nor any of its principals, members or managers, employees, or contractors shall be currently debarred (or have at any time been debarred and not subsequently reinstated) from providing services to federal, State or local governments for any reason, and any contract entered into by Developer and its general contractor shall contain a clause providing that the use of any debarred persons or entities as contractors or subcontractors in connection with the Project shall be prohibited; and

(i) The Developer shall comply in all material respects with all State and local laws, in effect from time to time, prohibiting discrimination or segregation by reason of race, creed, color, national origin, ancestry, sex, gender identity or expression, marital status, age, learning disability, physical or mental disability or status as a veteran in connection with the performance of this Agreement.

2.3 Developer's Indemnification of the Municipality.

(a) To the fullest extent permitted by law, the Developer agrees on behalf of itself and its successors and assigns, covenants and agrees at its sole cost and expense, to protect, defend, indemnify, release and hold the Municipality, its agents, servants, officials, employees, volunteers and members of its boards and commissions (collectively the "**Indemnitees**"), harmless from and against any and all Losses (defined below) imposed upon or incurred by or asserted against the Municipality by reason of bodily injury, personal injury, death, or property damage of whatsoever kind or nature, to any individuals or parties (including, but not limited to the Municipality, the Developer, or any other third party) arising out of or resulting from, or alleged to arise out of or result from Developer's performance of the Demolition, but only to the extent such Losses are attributable to the negligent or intentional act, error or omission of the Developer or any person or organization employed or engaged by Developer to perform all or any part of the contract. The term "**Losses**" includes any losses, damages, costs, fees, expenses, claims, suits, judgments, awards, liabilities (including, but not limited to, strict liabilities), obligations, debts, fines, penalties, charges, amounts paid in settlement, foreseeable and unforeseeable consequential damages, litigation costs, attorneys' fees, expert's fees, and investigation costs, of whatever kind or nature, and whether or not incurred in connection with any judicial or administrative proceedings, actions, claims, suits, judgments or awards.

(b) Municipality shall have no liability for, and Developer shall indemnify and defend the Indemnitees from and against, any and all liability, loss, cost and expenses, including reasonable attorneys' fees and costs, and environmental consultants costs ("**Environmental Expenses**") arising from (i) Developer's breach of any term, condition or obligation of this Agreement, (ii) any claims arising out of or which are related to any Environmental Conditions in, on or under any of the Property caused by a spill or discharge initially occurring or exacerbated by acts or omissions of Developer, its agents, contractors, tenants or invitees; and (iii) any action by any legal authority, including any State, regional, municipal or federal governmental or regulatory body or private party to enforce Developer's obligations or liabilities pursuant to any applicable or relevant laws or which arise out of or are related to the Environmental Conditions in, on or under any real property of the Property.

(c) Developer hereby releases the Indemnitees from any and all claims and Environmental Expenses, including but not limited to any claims and Environmental Expenses related to personal injury or diminution in property value (i) arising out of or which are related to any Environmental Conditions in, on or under any of the Property; or (ii) resulting from the release, emission or discharge of any material onto, into or under any of the Property or property surrounding the Property, which release, emission or discharge creates an Environmental Condition in, on or under the Property or property surrounding the Property.

(d) As used herein, "**Environmental Condition(s)**" shall mean the condition of a property or any portion thereof caused by or attributable to the existence or presence at, on, in, under, above or near the property, or any building thereon, of any Hazardous Materials, or by reason of the actual or threatened release or discharge of any Hazardous Materials at, on, in, under, above, near or from the Property; and "**Hazardous Materials**" shall mean (i) those elements, wastes, chemicals, materials, substances and compounds identified or regulated as hazardous or toxic pursuant to any and all applicable or relevant laws, (ii) any elements, chemicals, wastes, materials, substances or compounds now or hereafter defined as or included in the definitions of "hazardous substances," "hazardous wastes," "hazardous materials," "toxic pollutants," "toxic substances," "pollutants" or "contaminants", or words of similar import, under any applicable or relevant laws, (iii) any hazardous, toxic or harmful substances, wastes, materials, pollutants or contaminants (including, without limitation, asbestos, asbestos-containing materials, polychlorinated biphenyls (PCBs), substances containing PCBs, Per- and Polyfluoroalkyl Substances (PFAS), petroleum products, flammable explosives, radioactive materials, infectious substances, materials containing lead-based paint or raw materials which include hazardous constituents), exposure to which is prohibited, limited or regulated by any governmental authority or which are identified by or regulated by law.

(e) The provisions of this Section 2.3 shall survive the termination of this Agreement.

ARTICLE III FINANCIAL ASSISTANCE TO THE PROJECT

3.1 **Grant.** The Grant shall be disbursed based on actual and reasonable demolition costs for the Phase 1 Demolition Project by the Municipality in accordance with the MOU and CRDA requisition requirements set forth in standard CRDA and Grant documentation.

(a) The Municipality and the Developer agree to cooperate reasonably and in good faith to satisfy each of the customary and reasonable conditions and covenants required by the Municipality and CRDA for the making of the Grant.

(b) In accordance with the SBC Approval, the Grant may only be used for the abatement and demolition of buildings on and adjacent to the Property. As such, the Grant proceeds shall only be used for actual cost of the Phase 1 Demolition Project and the following additional costs:

(i) CRDA management and administrative fees;

- (ii) the cost of relocating fire department antenna and equipment off the roof of the existing building on the Property and installing them on the American Eagle Federal Credit Union building located at 333 East River Drive, East Hartford, Connecticut;
 - (iii) the cost of the Demolition Permit; and
 - (iv) legal fees and expenses of the Developer and the Municipality in connection with the Phase 1 Demolition Project.
- (c) No costs incurred prior to June 30, 2023 shall be subject to reimbursement.

(d) In the event the amount of the Grant exceeds the cost of the Phase 1 Demolition Project, the Municipality shall reserve such excess for the benefit of the Developer to use for other portions of the Project, subject to State and Town of East Hartford, Connecticut laws and the approval of the Municipality. The Developer acknowledges that use of such excess for any purpose other than the abatement and demolition of buildings on and adjacent to the Property shall require approval of the State Bond Commission and shall be subject to the approval of the Municipality and CRDA. In the event the Developer fails to obtain the Phase 1 Construction Permits by the Phase 1 Construction Project Permit Date (as may be amended pursuant to the terms of this Agreement), such excess shall be reserved for the Municipality to be used in the Municipality's sole and absolute discretion in accordance with applicable State and Town of East Hartford, Connecticut laws. Developer shall not be responsible for repayment of any portion of the Grant released to the Municipality.

(e) Upon the occurrence of a default under this Agreement, the Municipality may discontinue disbursements of the Grant and all obligations of the Municipality hereunder shall cease.

3.2 Developer Equity.

(a) Municipality acknowledges that the Developer has achieved its cash equity requirement for the Phase 1 Demolition Project by the purchase of the Property. Future equity requirements for other phases of the Project in exchange for assistance from the Municipality will be determined in separate development agreements.

(b) Developer acknowledges that the Municipality's only source of funding for the Phase 1 Project is the Grant and that the Municipality has not committed or promised any additional funding therefor. Developer additionally acknowledges that any costs of the Phase 1 Demolition Project in excess of the Grant and all costs of the Phase 1 Construction Project shall be the sole responsibility of the Developer, subject to the Municipality agreeing to provide financial assistance in the future.

(c) At Municipality's request, Developer shall provide Municipality and CRDA with an updated Project Budget for the Phase 1 Demolition Project or the Phase 1 Construction Project, certified by an authorized officer of the Developer as true and accurate to the best of their knowledge.

(d) At Municipality's request, Developer shall provide Municipality and CRDA with an updated Project Schedule, including any revised Completion Dates for Project Milestones, certified by an authorized officer of the Developer as true and accurate to the best of their knowledge.

3.3 Town Assistance. The Municipality and the Developer acknowledge that the Project may need a contribution from the Municipality in the form of a tax abatement, tax fixing agreement, cap on fees or such other incentives authorized by State law or Municipality ordinance in order to complete the Project.. Any such incentive will be incorporated into a subsequent agreement between the Municipality and the Developer.

ARTICLE IV DEFAULT

4.1 Default by the Developer. The occurrence of any one or more of the following events constitutes a default by the Developer under this Agreement:

(a) Subject to the provisions of Section 1.4 above, failure by the Developer to use its commercially reasonable efforts to promptly, professionally and diligently proceed to obtain the Demolition Permit and obtain the Phase 1 Construction Permits on or before the Phase 1 Construction Project Permit Date; provided, however, that the Developer shall not be in default with respect to such matters that are susceptible of cure but cannot be reasonably cured within forty-five (45) days, so long as the Developer has promptly commenced such cure within such forty-five (45) day period, and diligently proceeds in a reasonable manner to complete the same thereafter, or if such failure, is as a direct result of any action, inaction or default by the Municipality;

(b) Failure by the Developer to observe or perform any other material covenant, agreement, condition or provision of this Agreement, if such failure shall continue for more than thirty (30) days after notice of such failure is given to the Developer by the Municipality; provided, however, that the Developer shall not be in default with respect to such matters that are susceptible of cure but cannot be reasonably cured within thirty (30) days, so long as the Developer has promptly commenced such cure within such thirty (30) day period, and diligently proceeds in a reasonable manner to complete the same thereafter, or if such failure is as a direct result of any action, inaction or default by the Municipality;

(c) Any assignment in violation of Section 5.8 of this Agreement;

(d) If any warranty or representation of the Developer contained in this Agreement is untrue in any material respect as of the date made;

(e) Failure by the Developer (i) to maintain during the construction period, insurance required by this Agreement or pursuant to a statutory requirement or (ii) to pay any amounts whose non-payment shall result in any creditor's obtaining a pre-or post-judgment order of a court seizing or preventing the disbursement of funds from the account used by Developer to pay contractors' requisitions (iii) to pay property taxes due and owing to the Municipality on or before the last day on which such property taxes may be paid without interest or penalty or (iv) to pay any materialman's or mechanic's lien, or to instead cause such lien to be fully bonded, provided that such bonding has the effect of removing any such liens or claims, on or before ninety (90) days of such lien being placed upon the Property;

(f) The Developer admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors, or applies for or consents to the appointment of a trustee or receiver, or a trustee or receiver is appointed for the Developer or for a major part of its assets and it is not discharged within ninety (90) days after such appointment; or bankruptcy, reorganization, receivership, arrangement, insolvency or liquidation proceedings, or other proceedings for relief under any federal or state bankruptcy law, or similar law for the relief of debtors, are instituted by or against the Developer, and, if instituted against the Developer, are allowed against it or are consented to by it or are not dismissed within ninety (90) days after such institution.

4.2 Developer's Extended Cure Rights. In the event that the Developer wishes to avail itself of the extended cure rights provided in this Section 4.2 in circumstances in which cure is possible, but cannot commence such cure rights within (a) forty-five (45) days under subsection 4.1(a) or (b) thirty (30) days under subsection 4.1(b) after the date of notice of default, the Developer shall promptly furnish to the Municipality a written statement specifying the actions undertaken or to be undertaken to cure such default and a timetable (not to exceed an additional ninety (90) days beyond any specified cure period provided hereunder) for the satisfaction of such actions, and thereafter, upon the written request of the Municipality,

shall promptly provide such additional or updated information with respect to such actions as the Municipality may reasonably request.

4.3 Default by the Municipality. The occurrence of any one or more of the following events constitutes a default by the Municipality under this Agreement:

(a) Failure of the Municipality to observe or perform any other material covenant, agreement, condition or provision of this Agreement, if such failure shall continue for more than thirty (30) days after notice of such failure is given to the Municipality by the Developer; provided, however, that the Municipality shall not be in default with respect to such matters that are susceptible to cure but cannot be reasonably cured within thirty (30) days, so long as the Municipality has promptly commenced such cure, and diligently proceed in a reasonable manner to cure the same thereafter, or if such failure is as a direct result of any action, inaction or default by the Developer.

(b) If any warranty or representation of the Municipality contained in this Agreement is untrue in any material respect as of the date made.

4.4 Municipality's Extended Cure Rights. In the event that the Municipality wish to avail themselves of the extended cure rights provided in this Section 4.4 in circumstances in which cure is possible, but cannot cure such cure rights within thirty (30) days of the date of notice of default, the Municipality shall promptly furnish to Developer a written statement specifying the actions undertaken or to be undertaken to cure such default and a timetable (not to exceed an additional ninety (90) days beyond any specified cure period provided hereunder) for the satisfaction of such actions, and thereafter, upon the written request of Developer, shall promptly provide such additional or updated information with respect to such actions as Developer may reasonably request.

ARTICLE V MISCELLANEOUS

5.1 Entire Agreement. This Agreement represents the understandings between the parties hereto with respect to the matters addressed herein.

5.2 Severance. If any provision of this Agreement shall be held to be invalid by a court of competent jurisdiction, the remaining terms of this Agreement shall not be affected thereby if such terms would then continue to conform to the requirements of applicable law.

5.3 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same agreement.

5.4 Amendment; Modifications. This Agreement may be amended or modified only by a written document, duly executed by the parties hereto, evidencing the mutual agreement of the parties hereto to any such amendment or modifications.

5.5 Governing Law. The respective rights, obligations and remedies of the parties to this Agreement and the validity of this Agreement shall be governed by the laws of the State.

5.6 Binding Effect. This Agreement shall inure to the benefit of and bind the successors and assigns of the respective parties. This Agreement (including any schedules referred to in this Agreement which are attached hereto and made a part hereof or specifically incorporated herein by reference thereto) constitutes the entire agreement and understanding between the parties, and no oral statements or promises and no understandings not embodied in this Agreement shall be of any effect whatsoever.

5.7 Force Majeure. For the purposes of any of the provisions of this Agreement, neither the Municipality nor the Developer, as the case may be, nor any successor in interest, shall be considered in breach of, or default in, its obligations hereunder, in the event of enforced delay in the performance of such obligations due to any Force Majeure Event (defined below). In the event of any such enforced delay, the time or times for performance of the obligations of the party claiming such enforced delay shall be extended for a reasonable time period commensurate with the impact of such event; provided, that the party seeking the benefit of the provisions of this Section shall take commercially reasonable steps to mitigate the effects of such Force Majeure Event and, within ten (10) days after the beginning of any such Force Majeure Event, shall notify the other party of the specific enforced delay in writing, and of the cause or causes thereof, and request a reasonable extension hereunder; provided, however, that any Party's failure to notify any other Party of a Force Majeure Event shall not alter, detract from or negate its character as an enforced delay if such Force Majeure Event was not known or reasonably discoverable by the Party claiming the benefit thereof. As used herein, a "**Force Majeure Event**" shall mean any delay or hindrance beyond the reasonable control of an affected party and without such affected party's fault or negligence, including, without limitation: (i) any delay or hindrance caused by acts of God, acts of terrorism, war, fires, floods, earthquakes, hurricanes, or other natural disasters; (ii) epidemics and pandemics; (iii) labor disputes and strikes; (iv) unusual and severe prolonged weather conditions; (v) industry-wide shortage or unavailability of materials, supplies or equipment; (vi) failure of delivery of existing utilities available at the Property not attributable to an affected party's unreasonable acts or omissions; and/or (vii) regional, national or global banking crises that materially impact the ability and/or willingness of financial institutions to lend money to creditworthy borrowers generally; including, in each case, the direct effects of such condition or circumstance and, without regard to any subsequent determination that any of the same were unconstitutional or otherwise invalid, the effects of emergency orders by federal or state officials and orders of judicial authorities restricting a party's ability timely to prosecute any civil action, petition or application that such party may be required to make to discharge any covenant or cure any default under this Agreement due to suspension or postponements of proceedings or judicial operations; provided, however, that a Force Majeure Occurrence shall not include economic conditions other than as expressly set forth in clause (vii) above. In furtherance of the foregoing and not by way of limitation, a Force Majeure Event may include: (a) as to the performance of the Municipality's obligations, the occurrence or continuance of any material default hereunder by the Developer, (b) as to the performance of any of the obligations of the Developer, the occurrence or continuance of any material default hereunder by the Municipality, and (c) the failure of any construction manager, contractor, subcontractor or supplier to furnish services, materials or equipment in connection with the construction of any improvement if such failure is caused by a Force Majeure Event, if and to the extent, and only so long as the party claiming the delay is not able, after using commercially reasonable efforts, to obtain substitute services, materials or equipment of comparable quality and cost, provided, however, that for purposes of this definition, lack of funds shall not be deemed to be a cause beyond the control of a Party, except that the inability of the Municipality to obtain or cause disbursements of public funds agreement shall constitute a cause beyond the reasonable control of the Municipality unless such inability is (i) the result of the Municipality's failure to use commercially reasonable efforts to obtain or cause such disbursements, or (ii) due to the Municipality's failure to satisfy all conditions for the receipt of such public funds that are within the Municipality's reasonable control, if such failure is due to the Municipality's negligence or willful misconduct or due to any default by the Municipality under any applicable agreement which default does not arise out of any default by Developer in the performance of such Developer's obligations under this Agreement.

5.8 Assignment by Developer. The Developer may assign its rights to the Property, or any portions thereof, under this Agreement:

(a) At any time after the execution of this Agreement to any entity in which the Developer, or the members of the Developer, in the aggregate, have a fifty percent (50%) or greater ownership interest without the approval of the Municipality; or

(b) At any time after the execution of this Agreement, but subject to the prior written consent of the Municipality (which consent shall not be unreasonably withheld or conditioned based upon the

Developer's satisfaction of the Minimum Criteria), to any entity in which the Developer, or members of the Developer, in the aggregate, have a less than fifty percent (50%) interest in the voting classes of shares, partnership interests, limited liability company interests or other equity interests, and in which the Developer or any of the members of the Developer are, directly or indirectly, the only general partner(s), manager(s), or managing members with authority to conduct the business of the entity in the ordinary course;

(c) As used in this Agreement, the term "**Minimum Criteria**" shall mean (i) the quality of a proposed assignee (or, if an entity, its principals, partners, members or shareholders as the case may be) having those qualifications and capital reserves sufficient to execute the Project, as determined in the Municipality's reasonable discretion, upon review of documentation provided by Developer with any such request, and as furnished by Developer in response to such reasonable requests for information made thereafter by Municipality, (ii) delivery by such proposed assignee to the Municipality of an agreement between the Developer, assignee and the Municipality, whereby the Developer shall assign and such proposed assignee shall agree to assume and to be bound by all of the conditions and terms of this Agreement applicable to the Developer with regard to such Property, or any portions thereof, and including, without limitation (A) the provisions of this Section 5.8 requiring the Municipality's consent to certain assignments; and (B) a sworn statement from the assignee that all of the representations, warranties of and covenants to be performed by such assignee are and shall remain true and accurate throughout the term of this Agreement.

(d) To any (a) institutional lender (i) to which Developer has granted a first mortgage on all or part of the Property as security for a loan for the Project; (ii) (or its affiliate) that holds indebtedness evidencing a loan for the Project; in either event, after a default by Developer or its successor under the instruments evidencing and securing the indebtedness and in connection with a strict foreclosure, foreclosure by sale, or deed-in-lieu-of-foreclosure transaction; or (b) institutional equity investor in the Project (or its affiliate) upon a default by Developer or its successor under its investment agreements with the Developer or its successor that entitles the institutional equity investor to assume control of the Project and transfer title to the property to itself or an affiliate as a result of such a default.

(e) Any assignment for which the Municipality's consent or approval is required pursuant to this Section 5.8 shall be subject to any legislative action required by the Town Council of the Municipality.

5.9 Status Certificate. Municipality agrees it shall provide Developer, within ten (10) business days after Developer's written request therefor (and provided such statements constitute an accurate statement of the relevant facts), a written statement acknowledging that this Agreement is in full force and effect and that there are no defaults on the part of Developer that have not been cured (or if there is any default remaining uncured, the nature of such default and the time remaining for the cure thereof).

5.10 Notices. Any consent, approval, advice or notice required or permitted to be given hereunder shall be in writing and deemed to be given (i) when hand delivered to parties at the respective addresses referenced below, (ii) one (1) business day after pickup by Federal Express or similar overnight express service, or (iii) via email with a paper copy of such notice sent simultaneously by United States Postal Service regular mail at the respective addresses referenced below:

If to the Municipality:

Town of East Hartford
740 Main Street
East Hartford, CT 06108
Attention: Mayor
Email: CMartin@easthartfordct.gov

With a copy to:

Robert P. Fitzgerald, Esq.
Corporation Counsel Office
740 Main Street
East Hartford, CT 06108
Phone: (860) 291-7217
Email: RFitzgerald@easthartfordct.gov

If to Developer:

Chris Reilly
Port Eastside, LLC
433 South Main Street, Suite 112
West Hartford, CT 06110
Phone: (617) 970-7123
Email: Creilly@lexingtonct.com

With a copy to:

Consoli Bortolan Law Group, LLC
755 Main Street
Suite 2000
Hartford, CT 06103
Phone: 860-986-7571
Email: sconsoli@cblawgrp.com

or in each case to such other address as either party may from time to time designate by giving notice in writing to the other party. Effective notice will be deemed given only as provided above.

5.11 Administration. Administration of this Agreement on the part of the Municipality shall, except in instances where there is approval of the Municipality's Town Council expressly required by the provisions of law or this Agreement shall be the responsibility of the Office of the Mayor.

[Remainder of Page Intentionally Blank; Signature Pages Follow]

EXHIBIT A

Property

Real property in the City of East Hartford, County of Hartford, State of Connecticut described as follows:

Lot 2 on a certain map or plan entitled: "RESUBDIVISION MAP PROPERTY OF HARTFORD CREEK ASSOCIATES PARTNERSHIP PITKIN STREET HARTLAND STREET & EAST RIVER DRIVE EAST HARTFORD, CONNECTICUT—SCALE 1" = 50' DATE 8/1/96 SHEET 2 OF 3 REVISION NO. 1 9/24/96 REVISED LOT LINE; REVISION NO. 2 9/25/96 DRAINAGE EASEMENTS ADDED" which map is on file in the East Hartford Town Clerk's Office as Map No. 2314. Said Lot 2 is also known as Lot 38-A as shown on Tax Assessor's Map 4 on file in the office of the Tax Assessor of the Town of East Hartford, and said Lot 2 is more particularly described as follows:

Beginning at a concrete monument found at the intersection of the East side of East River Drive and the North Side of Hartland Street;

Thence North 24 degrees 42' 12" West along the East Side of East River Drive a Distance of 333.90' to a point of curvature at a concrete monument found;

Thence generally Northwesterly along the east side of East River Drive, along the Arc of a curve, curving to the right, an Arc length of 88.39' having a radius of 550.00' a delta angle of 9 degrees 12' 30", a Tangent of 44.29', a Chord distance of 88.30' bearing North 20 degrees 05' 57" West to a point of Tangency;

Thence North 15 degrees 29' 42" West along the East Side of East River Drive a distance 193.86' to a point;

Thence South 78 degrees 35' 54" East bounded Northerly other land now or formerly of Merchant Founders, LLC a distance of 399.91' to a point;

Thence North 11 degrees 24' 06" East bounded westerly by other land now or formerly of Merchant Founders, LLC a distance of 11.80' to a point;

Thence South 78 degrees 40' 00" East bounded Northerly by other land now or formerly of Merchant Founders, LLC a distance of 283.88' to a point;

Thence North 11 degrees 20' 00" East bounded Westerly by other land now or formerly of Merchant Founders, LLC a distance of 71.50' to a point;

Thence South 78 degrees 40' 00" East bounded Northerly other land now or formerly of Merchant Founders, LLC a distance of 289.50' to a point;

Thence South 11 degrees 20' 00" West bounded Easterly partially by land now or formerly of Fremont 155, LLC and partially by land now or formerly of New Boston VNA Nominee Trust, Jerome L. Rappaport, Jr. Trustee a distance of 374.58' to a point In the North side of Hartland Street;

Thence South 81 degrees 00' 43" West along the South side of Hartland Street a distance of 63.98' to a point;

Thence North 11 degrees 20' 00" East bounded Westerly by land now or formerly of GLK Realty Limited Partnership a distance of 268.00' to a point;

Thence North 78 degrees 40' 00" West bounded Southerly by land now or formerly of GLK Realty Limited Partnership a distance 210.00' to a point;

Thence South 11 degrees 20' 00" West bounded Easterly by land now or formerly of GLK Realty Limited Partnership a distance of 345.77' to a rebar found in the North side of Hartland Street;

Thence South 81 degrees 00' 43" West along the North side of Hartland Street a distance of 379.61' to a point of curvature at a concrete monument found;

Thence generally Northwesterly, along the North side of Hartland Street, along the Arc of a curve, curving to the Right, an Arc length of 19.45', having a radius of 15.00', a Delta Angle of 74 degrees 17' 05" a Tangent of 11.36', a Chord distance of 18.11' bearing North 61 degrees 50' 45" West to a point of Tangency at the point of the beginning.

Containing approximately 319,591 Square Feet (7.33679 Acres).

EXHIBIT B

Form of Mortgage

(See Attached)

Exhibit C

Ethics and Confidentiality Agreement

ETHICS AND CONFIDENTIALITY AGREEMENT

REQUEST FOR PROPOSAL NAME: _____

I, _____ (Print Full Name), by my signature below, declare and attest that neither I nor any member of my immediate family, as defined by C.G.S. § 1-79(f), has any personal or financial interests in the outcome of this Request For Proposal (RFP) process.

I believe in good faith that my participation in this RFP process shall not raise any question of conflict of interest or breach of ethics under the provisions of the State's Code of Ethics (C.G.S. § 1-84 and § 1-85).

Should my participation in this RFP process include the review and rating of proposals, I declare that I have not been and shall not be subject to any undue influence that would affect my fair and objective review and rating of the proposals submitted in response to this RFP.

I agree not to accept any gifts, gratuities, meals, or reimbursements in any form or value from any Proposer who responds to this RFP or from any other party having a personal, professional, or financial interest in the outcome of this RFP process.

I also agree not to participate in any *ex parte* communications with any Proposer who responds to this RFP or with any other party having a personal, professional, or financial interest in the outcome of this RFP process, except as provided by this RFP and its approved evaluation plan.

Finally, I agree to maintain the confidentiality of all information and materials that I receive as a result of my participation in this RFP process.

Signed: _____

Date: _____

Subscribed and sworn to,
Before me, this ____ day of _____

Notary Public
Commissioner of Superior Court

Month, Year

Commission Expires _____
Date

ENDORSEMENT [completed after proposals are opened]:

I declare and affirm that, to the best of my knowledge, neither I nor any member of my immediate family, as defined by C.G.S. § 1-79(f), has any personal, professional, or financial interest in any Proposer that has responded to the above noted RFP.

Signed: _____

Date: _____

Subscribed and sworn to,
Before me, this ____ day of _____

Notary Public
Commissioner of Superior Court

Month, Year

Commission Expires _____
Date

SCHEDULE A

Insurance

Developer shall procure and maintain for the duration of the Agreement the following types of insurance, in amounts no less than the stated limits, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder:

- 1) **Commercial General Liability:** (broad form coverage) insuring against claims for bodily injury, property damage, personal injury and advertising injury that shall be no less comprehensive and no more restrictive than the coverage provided by Insurance Services Office (ISO) form for Commercial General (CG 0001 04/2013). By its terms or appropriate endorsements such insurance shall include the following coverage, to wit: Bodily Injury, Property Damage, Fire Legal Liability (not less than the replacement value of the portion of the premises occupied), Personal & Advertising Injury, Blanket Contractual, Independent Contractor's, Premises Operations, Products and Completed Operations (for a minimum of two (2) years following Final Completion of the Project). Any deviations from the standard unendorsed form will be noted on the Certificate of Insurance.

Type of Coverage:	Occurrence Basis
Minimum Amount of Coverage:	\$1,000,000 per occurrence
	\$2,000,000 aggregate
Policy Period:	Annual Policy

- 2) **Workers' Compensation and Employer's Liability:** Statutory Workers' Compensation Insurance as required by the State of Connecticut, including Employer's Liability.

Amount of Coverage:

Coverage A:	Statutory
Coverage B (Employer Liability):	\$500,000 Each Accident
	\$500,000 Disease, Policy Limit
	\$500,000 Disease, Each Employee

- 3) **Automobile Liability:** \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the Developer does not own an automobile, but one is used in the execution of the Agreement, then only hired and non-owned coverage is required. If a vehicle is not used in the execution of the Agreement, then automobile coverage is not required.
- 4) **Professional Liability:** Errors & Omissions coverage in the minimum amount \$1,000,000 per claim/\$1,000,000 annual aggregate for all professional services contracts. If the insurance coverage is written on a Claims-Made basis, an extended reporting period of at least 3 years after substantial completion of the project is required. Increased coverage limits may be required based on the scope, price and duration of the work to be performed. The Municipality will inform the Developer as to the required limits for this insurance as soon as practicable, and has sole discretion of the limits to be required.
- 5) **Comprehensive Crime Insurance:** \$100,000 limit for each of the following coverages: Employee Dishonesty (Form O), Forgery/Alteration (Form B), and Money and Securities coverage for Theft, Burglary, Robbery, Disappearance and Destruction.

- 6) **Builders Risk:** (Construction Phase) With respect to any work involving the construction of real property during the construction project, the Developer shall maintain Builder's Risk insurance providing coverage for the entire work at the project site. Coverage shall be on a Completed Value form basis in an amount equal to the projected value of the project. Developer agrees to endorse Municipality as a Loss Payee.
- 7) **Property Insurance:** (Post Construction) The Developer shall maintain insurance covering all risks of direct physical loss, damage or destruction to real and personal property and improvements and betterments (including flood insurance if property is within a duly designated Flood Hazard Area as shown on Flood Insurance Rate Maps (FIRM) set forth by the Federal Emergency Management Agency (FEMA)) at 100% of Replacement Value for such real and personal property, improvements and betterments or the maximum amount available under the National Flood Insurance Program. The Municipality shall be listed as a Loss Payee.
- 8) **Umbrella Liability Insurance:** Developer shall carry an umbrella liability insurance policy of \$5,000,000.

Additional insurance Provisions

- 1) Municipality, its officials and employees shall be named as an Additional Insured on the Commercial General Liability policy. Additional Insured status is not required for items (A)2 through (A)7 above.
- 2) Described insurance shall be primary coverage and Developer and Developer's insurer shall have no right of subrogation recovery or subrogation against Municipality.
- 3) Grantee shall assume any and all deductibles in the described insurance policies.
- 4) Without limiting Grantee's obligation to procure and maintain insurance for the duration identified in above, each insurance policy shall not be suspended, voided, cancelled or reduced except after thirty (30) days prior written notice by certified mail has been given to Municipality, with the exception that a ten (10) day prior written notice by certified mail for nonpayment of premium is acceptable.
- 5) Each policy shall be issued by an Insurance Company licensed to do business by Connecticut Department of Insurance and having a Best Rating of A-, VII, or equivalent or as otherwise approved by CRDA.