

AMENDED AND RESTATED MASTER DEVELOPER DESIGNATION AGREEMENT
BETWEEN THE SOMERVILLE REDEVELOPMENT AUTHORITY AND UNION
SQUARE STATION ASSOCIATES LLC FOR THE REDEVELOPMENT OF
UNION SQUARE IN SOMERVILLE, MASSACHUSETTS

This Amended and Restated Master Developer Designation Agreement (this “**Agreement**”) entered into as of this 6th day of August, 2015 (the “**Effective Date**”) between the Somerville Redevelopment Authority (“**SRA**”), an authority organized and existing pursuant to M.G.L. c. 121B with a business address of 93 Highland Avenue, Somerville, MA 02143, and Union Square Station Associates LLC (“**US2**” or “**Master Developer**”), a Delaware limited liability company with a business address of 225 North Columbus Drive, Suite 100, Chicago, IL 60601. The SRA and US2 shall be jointly referred to herein as the “**Parties**”.

Background

A. Reference is made to that certain Master Developer Designation Agreement dated November 20, 2015 between the SRA and US2 (the “**Original Agreement**”).

B. The City of Somerville (the “**City**”) prepared a long range planning document for the future known as “SomerVision”. Subsequently, the Massachusetts Bay Transportation Authority (“**MBTA**”) obtained funding to extend the Green Line and construct a new Green Line station at Union Square (the “**GLX Station**”), currently anticipated to be ready for operation in late 2017. As the extension of the Green Line and new Union Square station are expected to act as a catalyst for the revitalization of Union Square and the adjacent Boynton Yards area, the SRA and the City sought to facilitate private redevelopment to accomplish this anticipated revitalization.

C. The SRA prepared an urban renewal plan for the Union Square area (the “**Revitalization Plan**”), which was approved by the Commonwealth of Massachusetts Department of Housing and Community Development (“**DHCD**”) on November 19, 2012. On December 5, 2013, the SRA issued a Request for Qualifications (“**RFQ**”) for a Master Developer to carry out the redevelopment of Blocks D1 – D7 (“**Disposition Parcels**”) identified in the Revitalization Plan. The SRA received nine responsive submissions from developers to this RFQ and commenced its review of the submissions.

D. A Civic Advisory Committee (“**CAC**”) was formed by the City to concurrently review the submissions and allow for community input. The CAC recommended four finalists to the SRA, which adopted the CAC’s recommendation. At a meeting on June 26, 2014, taking into account the recommendations of the City’s professional staff and the CAC, and citing the significant financial resources of the US2 team, a joint venture of Magellan Development Group LLC and Mesirow Financial Real Estate Consulting LLC, the SRA voted unanimously to designate US2 as the Master Developer of the Disposition Parcels.

E. The SRA and US2 now desire to amend and restate the Original Agreement in its entirety to address changes in the timing of the redevelopment process of the Disposition Parcels, and to set forth the understanding of the SRA and the Master Developer with respect to their mutual efforts and respective responsibilities and obligations in the revitalization of Union

Square and the acquisition and redevelopment of the Disposition Parcels and, subject to all necessary approvals, including but not limited to the prior written approval of DHCD, any other parcels that may be identified in the Neighborhood Plan (collectively, the “**Revitalization Plan Parcels**”).

Agreement

NOW THEREFORE, in consideration of the foregoing and the promises and mutual obligations of the Parties, the sufficiency of which is hereby acknowledged, the Parties agree that the Original Agreement is amended and restated in its entirety as follows:

1. Designation of Master Developer as Redeveloper of the Disposition Parcels□

(a) Master Developer. US2 is the Master Developer designated by SRA as the redeveloper of the Disposition Parcels, pursuant to the terms of the Revitalization Plan and this Agreement. US2 and SRA agree to work together in good faith during an exclusive negotiating period commencing upon the date of this Agreement and extending through June 30, 2016, unless this Agreement is earlier terminated (the “**Exclusive Negotiating Period**”), to undertake the tasks and activities set out in this Agreement (including without limitation the negotiation and execution of a Master Land Disposition Agreement and/or, as applicable, a Land Disposition Agreement specifically addressing Parcel D-2 [a “**Parcel D-2 Land Disposition Agreement**”]), and thereafter to negotiate and enter into such other agreements as may be necessary to accomplish the revitalization of Union Square, including without limitation one or more Land Disposition Agreements acceptable to DHCD as required under 760 C.M.R. 12.05 and one or more Public Benefits Agreements, as described herein. The Exclusive Negotiating Period will be automatically extended for two (2) consecutive six month periods at the request of either party. Any further extensions beyond June 30, 2017 shall be by mutual agreement of the parties, with the parties agreeing to reasonably consider any such further extensions so long as Master Developer is diligently pursuing the activities described hereunder.

(b) RFQ. The SRA’s RFQ and US2’s RFQ response are hereby incorporated by reference and made a part hereof.

2. Initial Planning Activities By US2

(a) 100-Day Plan. US2 has prepared the “100 Day Plan” attached hereto as **Exhibit A** and has completed the tasks and activities set out in the 100 Day Plan. SRA and City staff will continue to coordinate with US2 in its efforts to accomplish its other obligations under this Agreement, including, without limitation, providing US2 with available information and base data such as CAD files, GIS files, lab reports in base data format, etc., to the extent available in such formats.

(b) Union Square Neighborhood Plan. As part of the 100-day Plan, US2 has coordinated with City staff, as City staff, US2, and City consultants develop a proposed process, modeled after the City’s Somerville by Design process, for preparing an urban framework plan for the redevelopment of the Union Square area, including the Urban Revitalization area (“**Neighborhood Plan**”), including a schedule for completing such plan, public workshops, public urban design charrettes and a process for community review of the plan and its major

elements. US2 and the City agree to complete the process in a timely manner so that the Neighborhood Plan will be finalized by the Fall of 2015 and any rezoning required to implement the plan will be pursued by the City promptly thereafter.

3. City Planning Activities□

(a) Transportation, Infrastructure and Public Space Planning. Master Developer will work with the City and its engineering firm to review recent transportation, utilities/infrastructure and public space studies and plans for Union Square prepared by or on behalf of the City and to participate in ongoing studies and plans. The City and the Master Developer recognize that the transportation, utilities/infrastructure and public space planning studies and plans are critical elements of the preparation of the Neighborhood Plan and the specific development plans for the Disposition Parcels, and will be undertaken contemporaneously with the broader development of the City's plans for transportation, utilities/infrastructure and public space planning. Should the Master Developer have any comments for the City, they shall provide such comments no later than two weeks after any such plans or actions have been discussed by the Parties or otherwise in a timely manner in the context of the broader development of planning. The goal of the City's proposed improvements is to identify a design alternative that the City deems will:

- (i) Improve access, flow, and safety for all modes of transportation – vehicular, pedestrian, bicycle, MBTA bus service, and the forthcoming Green Line MBTA Station;
- (ii) Maximize the useable, central public open space in Union Square;
- (iii) Create a distinctive destination point for visitors to the area; and
- (iv) Be technically implemented and is financially feasible.

The City and its engineering firm have divided the utilities/infrastructure work into two phases, which US2 and the City expect will proceed as follows:

The first phase of infrastructure improvements includes implementing two-way traffic on Webster Avenue and Prospect Street, modifying signal systems and upgrading bicycle and pedestrian facilities and certain Prospect Street utilities (collectively, the “**Phase 1 Infrastructure Improvements**”). The City has completed 75% plans for the Phase 1 Infrastructure Improvements and expects to complete construction of the Phase 1 Infrastructure Improvements by the end of 2015, recognizing that completing the extension of certain Prospect Street utilities by mid-2016 is essential for the construction of improvements on Parcel D-2.

The second phase includes water main improvements on Somerville Avenue, sewer separation on Somerville Avenue, stormwater management improvements in Union Square and streetscape improvements on several roads in Union Square and improvements to the plaza area in Union Square (collectively, the “**Phase 2 Infrastructure Improvements**”). The City shall finalize a preliminary scope, budgets, implementation timelines and a financing plan for Phase 2 Infrastructure Improvements by the end of October 2015. The City expects to develop and implement an integrated plan for all modes of transportation that intersect in Union Square by December, 2015 and will work closely with US2 on designing improvements in Union Square to be compatible with US2's plans for the Disposition Parcels. The City shall complete critical

components of the Phase 2 Infrastructure Improvements no later than the occupancy of the first building phase of Parcel D-2 (currently anticipated to be mid-2018), recognizing that such infrastructure is essential for the construction of improvements on Parcel D-2.

(b) 90-92 Union Square. As part of the revitalization effort, the City will work with US2 to develop a plan for the redevelopment of the former fire station at 90-92 Union Square and the surrounding public plaza to serve as a public amenity for the Union Square area, which may include the sale or lease of the property to US2 for redevelopment, subject to Board of Aldermen approval, or other arrangement whereby US2 provides financial and other support in a public-private partnership agreement to be negotiated with the City. Any agreed-upon redevelopment plans or public-private partnership shall be carried out in a timeframe which complements US2's redevelopment of the Disposition Parcels. US2 will work with any current tenants of the site that would be displaced by the proposed redevelopment in an effort to relocate them to suitable locations in the Union Square area.

4. Parcel D-2 Option to Purchase. The SRA hereby grants US2 or an affiliate of US2 (collectively, the "**D-2 Developer**") an option to purchase Parcel D-2 on the terms set forth below (the "**Option**"):

(a) Option Payment. Within five (5) business days following the date hereof, the D-2 Developer shall make a nonrefundable payment of \$50,000.00 to the City on behalf of the SRA as consideration for the SRA granting the D-2 Developer the Option (the "**Option Payment**").

(b) Exercise of the Option. Subject to the provisions of Subsection 4(c), the D-2 Developer may exercise the Option by providing written notice thereof to the SRA during the Option Period. For purposes of this paragraph, the "**Option Period**" shall be the period commencing on the date hereof and ending on the first to occur of (i) the date that is one hundred twenty (120) days following the D-2 Developer's receipt the D-2 Entitlements (hereinafter defined) and (ii) October 31, 2017. If after the expiration of the Exclusive Negotiating Period (as it may be extended) neither a Master Land Disposition Agreement nor a Parcel D-2 Land Disposition Agreement has been executed, the SRA may elect to terminate the Option.

(c) Conditions to Exercise of Option. The execution of either the Master Land Disposition Agreement or a Parcel D-2 Land Disposition Agreement and the approval thereof by DHCD shall be a pre-condition to US2's exercise of the Option. The Master Land Disposition Agreement or Parcel D-2 Land Disposition Agreement shall include a form of deed, with appropriate reverter provisions for failure to construct the applicable projects, reserved rights, and payment adjustments to the SRA in the event the D-2 Entitlements are received after the exercise of the Option and/or the SRA incurs additional costs of acquiring Parcel D-2 after the Close of Escrow (hereinafter defined).

(d) Closing. Upon US2's exercise of the Option, the Parties will open an escrow (the "**Escrow**") with an escrow company mutually acceptable to the parties (the "**Escrow Holder**") for the purpose of holding monies and closing the purchase and sale of the Property, subject to and in accordance with the Master Land Disposition Agreement or, as applicable, a Parcel D-2 Land Disposition Agreement. The closing of the purchase and sale of the Property is referred to herein as the "**Close of Escrow**." The Close of Escrow shall occur no later than ninety (90) days

after US2 exercises the Option. Following US2's exercise of the Option, the Parties shall enter into a written agreement confirming the date of the closing, the amount of the D-2 Purchase Price, the allocation of closing costs and preparation of closing documents and any other items related to the closing.

(e) Parcel D-2 Purchase Price. The purchase price of Parcel D-2 will be an amount equal to the sum of (i) the SRA's costs of acquiring the parcels which comprise Parcel D-2, including but not limited to any relocation and associated costs, and additional eminent domain damages awarded for any such parcel by a future court judgment pursuant to G.L. c. 79 (together with any interest accruing thereon and reasonable attorneys' fees and related costs and fees), (ii) the SRA's costs of conveying such parcel to Master Developer and (iii) the cost of any environmental remediation and/or site preparation performed on Parcel D-2 by the SRA except such costs that have been reimbursed by state agencies or other parties (collectively, the "**Base D-2 Purchase Price**"). The SRA agrees to provide a current listing of such costs and fees promptly after the date of this Agreement. The parties agree that the Base D-2 Purchase Price shall be adjusted as follows (the Base D-2 Purchase Price following such adjustment, the "**Adjusted D-2 Purchase Price**") to correspond to the actual entitlements and project approvals received by Master Developer after completion of the Neighborhood Plan and project approval processes (the "**D-2 Entitlements**"):

- (i) If the D-2 Entitlements provide for a project containing less permitted floor area than the Baseline Project, the Parties agree that the Adjusted D-2 Purchase Price shall be an amount equal to the lesser of (A) the Base D-2 Purchase Price or (B) the fair market value of Parcel D-2 with the D-2 Entitlements; or
- (ii) If the D-2 Entitlements provide for a project containing more permitted floor area than the Baseline Project, the Parties agree that the Base D-2 Purchase Price shall be increased proportionally such that the Adjusted D-2 Purchase Price shall be an amount equal to the Base D-2 Purchase Price multiplied by a fraction, the numerator of which shall be the permitted floor area under the D-2 Entitlements and the denominator of which shall be the floor area permitted under the Baseline Project. This subparagraph 4(e)(ii) shall also apply to any D-2 Entitlements unused by the Developer at the time of the exercise of the Option but which are subsequently used and/or transferred.

For purposes of this Agreement, "**Baseline Project**" shall mean a mixed-use residential and commercial project containing 711,000 gross square feet of floor area (including at grade or above ground structured parking) of which a minimum of 150,000 gross square feet must be dedicated to retail and office use. US2 shall receive a credit against the Base D-2 Purchase Price or the Adjusted D-2 Purchase Price, as applicable, in an amount equal to the Option Payment.

(f) Conditions of Development. The redevelopment of Parcel D-2 shall be subject to the terms and conditions of the Neighborhood Plan, the Public Benefits Agreement, and the Master Land Disposition Agreement (or, as applicable, a Parcel D-2 Land Disposition Agreement).

5. Coordination with MBTA

(a) Station Design. Master Developer will review the MBTA’s plans for the GLX Station and its vehicular, pedestrian, and bicycle connections to the Disposition Parcels, Union Square and Boynton Yards. Master Developer will work with the MBTA to resolve any suggested changes to help facilitate harmonious development of the MBTA’s Union Square Station and Master Developer’s proposed uses on the Disposition Parcels. The City and Master Developer will ensure that MBTA and the Commonwealth of Massachusetts Department of Transportation (“**Mass DOT**”) are aware of any potential changes to the transportation system that either party may wish to undertake. All parties will work together to ensure that all changes are agreeable to all other parties prior to implementing any such changes. Master Developer and the City will work together to obtain the MBTA’s permission to construct a second headhouse at the eastern end of the platform to facilitate connection to future developments in the Union Square area including Boynton Yards.

(b) Air Rights. The SRA has retained air rights over the GLX Station, as well as the fee interest in the drop-off/pick-up area. These rights and interests may be included in the disposition of Parcel D-2 under the Master Land Disposition Agreement and/or the Parcel D-2 Land Disposition Agreement . Master Developer, the SRA and/or the City will work with MassDOT and the MBTA to obtain agreements with the MBTA and other appropriate Parties governing air rights over the GLX tracks and commuter rail corridor to permit the Master Developer to construct one or more approved buildings or other connections over the tracks and to facilitate the redevelopment of the Disposition Parcels north and south of the tracks, and Revitalization Plan Parcels, and the Boynton Yards area.

(c) Construction. Master Developer and SRA will work with the MBTA to establish construction management protocols for the construction of the GLX Station and the Master Developer’s project on Parcel D-2 in a manner that permits both projects to proceed on their respective timelines, which would have the Master Developer’s project commence construction on Parcel D-2 while the GLX Station is under construction.

6. Land Acquisition

(a) Early Outreach to Parcel Owners. The Master Developer may independently reach out to the owners of each of the Disposition Parcels and the major property owners in the Boynton Yards area for the purpose of identifying opportunities to privately acquire parcels for redevelopment or reaching other agreements with such property owners which would advance the redevelopment of the particular parcel and the general Union Square area in keeping with the goals and objectives of the Revitalization Plan. The Master Developer will keep City and SRA staff informed of the status of such outreach efforts on a periodic basis.

(b) Acquisition of Disposition Parcels. In connection with the development of the Neighborhood Plan, the Master Developer will prepare an approach for the acquisition of the Disposition Parcels, including identifying from time to time those parcels which the Master Developer determines are either owned by SRA or the City or are likely to be acquired privately by Master Developer (the “**Privately Acquired Parcels**”) and those Disposition Parcels that are unlikely to be acquired by the Master Developer privately and which will need to be acquired by SRA to carry out the Revitalization Plan (the “**Publicly Acquired Parcels**”). Master Developer will keep SRA updated from time to time on the status of such approach as private agreements

with property owners are reached or if other facts and circumstances change. As soon as possible after being advised of such approach (and any updates to such approach), following consultation with the Master Developer and in compliance with G.L. c. 30B, SRA agrees to order appraisals of each of the Publicly Acquired Parcels (or in the case of an update, all newly identified Publicly Acquired Parcels), and will initiate the process of acquiring such parcels by eminent domain for eventual disposition to the Master Developer. Funding for all the SRA's reasonable costs of acquisition of the Publicly Acquired Parcels shall be funded by Master Developer and may be memorialized in a separate Backstop Agreement between the Parties. "Reasonable costs of acquisition" shall be deemed to include all costs of appraisals, title work and recording fees, relocation costs and consultants, attorneys' fees, and eminent domain damages, whether pro tanto, by settlement, or pursuant to a subsequent judgment, together with any interest accruing thereon.

(c) Boynton Yards. The Parties acknowledge that the revitalization of Union Square will begin with the Disposition Parcels, and that in order to establish an economic redevelopment with critical mass and an appropriate balance of commercial and residential uses as outlined in the Revitalization Plan, the area known as Boynton Yards will be included in the Neighborhood Plan.

(d) Land Disposition Agreements. Contemporaneously with the development of the Neighborhood Plan, SRA and US2 will negotiate in good faith the terms of a Master Land Disposition Agreement containing general financial and non-financial terms which shall govern all the Disposition Parcels (except that a Parcel D-2 Land Disposition Agreement may be negotiated on a more expeditious schedule), which shall set forth purchase price, remediation responsibilities, phasing of construction and coordination with the MBTA, protective covenants, dates for commencement and completion of construction, rights of reverter, and other financial and non-financial terms and conditions specific to such parcel (including, without limitation, the intent of the SRA, City and Master Developer to cooperate to develop public-private partnerships and/or seek public funds in connection with the redevelopment of the Union Square area). The purchase price of Parcel D-2 shall be equal to the Parcel D-2 Base Purchase Price, except as may be adjusted pursuant to Section 4(d) or 4(e) hereof. The SRA staff and Master Developer shall also negotiate the form of a Land Disposition Agreement for each of the other parcels which are not then owned by the SRA or the City, which will detail the timing and nature of the development and allocation of the financial obligations to be undertaken by Master Developer on each such parcel based on the project-wide obligations set forth in the Master Land Disposition Agreement. The Master Land Disposition Agreement, the Parcel D-2 Land Disposition Agreement and any other parcel-specific Land Disposition Agreements shall be subject to the review and approval of DHCD. The Master Developer will identify a single-purpose entity to enter into each parcel-specific Land Disposition Agreement as redeveloper (each such entity is referred to here as a "**Developer**"), and such Developer will take title to the applicable parcel or parcels and will finance, construct and own such parcel or parcels and the improvements to be constructed thereon consistent with the applicable parcel-specific Land Disposition Agreement; provided, however, that Master Developer shall guarantee the performance of each such Developer to complete any required improvements and perform any obligations owing to the SRA under the applicable Land Disposition Agreement, which obligation shall be memorialized in the Master Land Disposition Agreement or a separate Guaranty Agreement between the Parties. The Land Disposition Agreement applicable to a specific parcel will be an independent

obligation, and the failure of a Developer to perform any obligation under one specific parcel agreement will not constitute a breach of any agreement applicable to another parcel owned by another Developer; provided, however, that failure of Developer to perform any obligation under a specific parcel agreement may constitute a breach by Master Developer under the Master Land Disposition Agreement to the extent set forth therein.

(e) Due Diligence. The Master Land Disposition Agreement and/or the parcel-specific Land Disposition Agreements will provide a process for evaluating the environmental condition of each parcel to be acquired by Developer prior to such acquisition and for Developer to elect not to acquire any such parcel on account of its environmental condition. For Parcel D-2, upon execution of this Agreement Master Developer shall have the right to review the City's and the SRA's records concerning the acquisition, title, environmental and physical condition of the parcels comprising Parcel D-2, may contact the City's licensed site professional for additional information and observations, and shall have the right to enter upon (and have its consultants enter upon) Parcel D-2 for the purpose of conducting environmental or other testing and inspections. Master Developer shall have the right, based upon its review of the SRA's environmental information and its own site investigations, to elect not to acquire Parcel D-2 due to the environmental condition of the property, by notifying the SRA in writing not later than the date which is sixty (60) days after the date hereof. Upon receipt of any such notice, the SRA may elect to terminate this Agreement, whereupon all further rights and obligations of the parties under this Agreement shall terminate. If such notice is not delivered to the SRA during such sixty (60)-day period, the Master Developer shall be deemed to have accepted the environmental condition of Parcel D-2 and shall acquire such parcel in its current environmental condition (subject to any ongoing remediation activities).

(f) Remediation Costs/Cleanup. The costs and responsibility for testing, evaluation, reporting, and any required remediation undertaken by Developer with respect to a parcel shall be borne solely by Developer, provided, however, that (i) the Parties shall have no claim or cause of action against the City or any other party hereto with regard to any pre-existing environmental condition or contamination of the properties or any liabilities arising out of such condition or contamination; and (ii) the City and the SRA shall assign the Developer all rights to pursue claims with respect to any such contamination or condition. Neither Developer nor Master Developer will be responsible to the City or the SRA for third-party claims relating to pre-existing contamination or environmental conditions occurring prior to Developer's acquisition of the applicable parcel and neither the City nor the SRA will be responsible to Developer or Master Developer for third-party claims relating to contamination or environmental conditions occurring after Developer's acquisition of the applicable parcel. All costs will be incurred only after agreement on a scope of work and a budget. The SRA and/or City will share with Developer any prior reports, records or evaluations undertaken by its Licensed Site Professional(s) ("**LSP**") or other parties in order to help Developer facilitate timely and appropriate remediation of such parcel. The SRA and/or the City agree that the Developer shall have the right to discuss with regulatory authorities any existing environmental conditions with respect to a parcel. The price of any parcel acquired by the Developer from the City or SRA may take into account the expected LSP and cleanup costs anticipated for such parcel, as well as any tax credits or other offsets utilized by Developer. The SRA and/or the City may provide assistance to Developer in investigating the availability of grant funding for remediation or other costs.

7. Process for Review of Redevelopment Proposals□

(a) Public Benefits Agreement. Contemporaneously with the execution of the Master Land Disposition Agreement or the execution of the Parcel D-2 Land Disposition Agreement, as applicable, Master Developer, and the City will negotiate in good faith one or more Public Benefits Agreements for the Union Square redevelopment projects to be undertaken by Master Developer. The Public Benefits Agreements will outline a framework for contributions and public benefits to be provided by Master Developer (or the individual project Developer) in connection with the construction of each of the projects undertaken in the revitalization area, including the Master Developer's financial contribution to the cost of infrastructure improvements consistent with those currently being designed by Parsons Brinckerhoff and the City. The Public Benefits Agreements are expected to address the following subject areas: affordable housing, workforce development, local hiring, support to independent local retailers, sustainability in building design and site development, improvements to the public realm, and other matters consistent with the City's goals and values identified in SomerVision. Except as otherwise provided by the terms of the Public Benefits Agreement, the obligations of the Master Developer (or the individual project Developer) under the Public Benefits Agreement with respect to the projects to be undertaken on each parcel shall be subject to the approval and effectiveness (beyond any applicable appeal periods) of any rezoning or other zoning relief required to implement such projects; provided, however, that Master Developer may advance certain contributions pursuant to the Public Benefits Agreement that will be credited toward contributions otherwise payable at the time of the development of future sites.

(b) Review Process for Individual Projects. Contemporaneously with the development of the Neighborhood Plan, the Master Developer and the City will work together to identify and to create a process for zoning and individual project review which will be based on the following principle: Projects which are consistent with the approved Neighborhood Plan should be reviewed and approved in an expeditious manner, to enhance the revitalization of Union Square; the massing and range of permitted uses for each parcel will be set out in the zoning ordinance or in a process authorized through the zoning ordinance; and for proposed projects which are generally consistent with such massing and uses, project review will be limited to review of the design for consistency with the applicable requirements and with the Neighborhood Plan. The Master Developer and the City agree that the Northpoint zoning may be an appropriate model for the process contemplated by the parties.

8. Financial Support and Coordination

(a) The parties acknowledge that the Master Developer has previously deposited with the City on behalf the SRA the amount of \$549,670 to fund costs of approved outside counsel (for preparation of the Master Land Development Agreement and associated agreements), fees and charges of outside condemnation counsel in connection with work on behalf of the City or SRA on Parcel D-2 acquisition matters and eminent domain damages claims, the Somerville by Design neighborhood plan consulting team, and other approved consultants to be engaged by SRA or City in furtherance of the goals and objectives set forth herein. All expenditures of such amounts shall be made only in accordance with budgets and scopes and services for such work which have been reviewed and approved by Master Developer and the City. Upon demonstration of the need for additional funding, Master Developer shall supplement the initial

amount from time to time, provided that such additional amounts are consistent with budgets approved from time to time by the City and Master Developer, such approval not to be unreasonably withheld.

(b) The City and SRA shall cooperate with the Master Developer in connection with any efforts by Master Developer to develop public-private partnerships or seek public funds in connection with the redevelopment contemplated in the Neighborhood Plan.

9. Corporate Organization and Key Personnel

SRA has selected US2 as its Master Developer for the Disposition Parcels in reliance on the strength of the development and financing team as presented in US2's RFQ response. US2, the Master Developer, is a limited liability company organized under the laws of Delaware, which is a joint venture of Magellan Development Group LLC and RAS Union Square Development LLC. The specific corporate entities comprising the joint venture are Magellan US2 LLC (owned by Magellan Development Group LLC) and RAS Union Square Development LLC (owned by Richard A. Stein and Gregory Karczewski formerly of Mesirow Financial Real Estate Consulting LLC). Any material change or substitution in the ownership of Master Developer that results in a party other than Magellan US2 LLC or RAS Union Square Development LLC having day-to-day control of Master Developer will require the review and prior written approval of the SRA.

US2 will be led by James Loewenberg and Richard Stein as Co-CEOs, with Gregory Karczewski as President. Mesirow Financial will play a leading role in obtaining project insurance, bonds and is a potential equity funding source for the development projects. Stantec will act as local development consultant and lead urban planner. The Master Developer may utilize additional third party financing (debt and equity) and may admit such additional non-controlling investor members to US2 or a Developer with the prior consent of the SRA and the City, not to be unreasonably withheld.

10. Amendments □ The provisions of this Agreement may be amended only by an agreement in writing executed by the Parties.

11. Governing Law □ This Agreement shall be governed by the laws of the Commonwealth of Massachusetts.

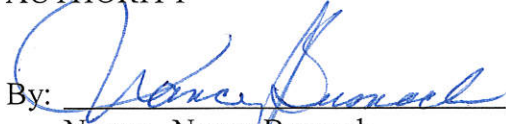
Attachments:

Exhibit A: 100 Day Plan Activities

[SIGNATURE PAGE FOLLOWS]

Witness our hands and seals on the day and year first written above.

SOMERVILLE REDEVELOPMENT
AUTHORITY

By: 
Name: Nancy Busnach
Its: Chair

UNION SQUARE STATION
ASSOCIATES LLC

By: _____
Name:
Its:

Witness our hands and seals on the day and year first written above.

SOMERVILLE REDEVELOPMENT
AUTHORITY

UNION SQUARE STATION
ASSOCIATES LLC

By: _____
Name: Nancy Busnach
Its: Chair


By: 
Name: GREGORY M. KARZEWSKI
Its: PRESIDENT

Exhibit A – 100 Day Plan Activities

During the 100 days following the Union Square Kickoff Event, US2 will perform the following activities in order to continue its community engagement efforts, gain additional community perspective about the vision for Union Square and initiate the urban planning process.

1. US2 and the City will host a Union Square Kickoff Event to introduce US2 to the community and invite members of the community to share their vision for Union Square
2. US2 will participate in monthly Union Square Civic Advisory Committee meetings
3. US2 will expand its social media presence and update its website to include additional community engagement tools
4. US2 will host a roundtable discussion with community business leaders to explore job growth and workforce development
5. US2 will perform approximately 50 interviews of Union Square stakeholders to understand their vision, interests and goals for the redevelopment
6. US2 will initiate background information gathering and technical issues review related to critical planning issues including public realm design, transportation strategies, utilities, environmental issues and other site development issues
7. US2 will collaborate with the City, SRA and CAC leadership to develop a plan for community involvement in the urban planning process, including but not limited to community workshops focused on specific planning topics and design charrettes
8. US2 will collaborate with the City to refine the work plan for the Union Square infrastructure and transportation planning and design in manner that supports the urban planning process and reaches a timely conclusion
9. On or around the conclusion of the 100 days, US2 will provide a community recap of its findings from its initial community engagement and outline its plan for moving forward with the urban planning process