

MEMORANDUM OF UNDERSTANDING

BETWEEN

COMPORIUM COMMUNICATIONS

AND

THE CITY OF ROCK HILL, SOUTH CAROLINA

This Memorandum of Understanding (the “**MOU**”) is made and entered into this _____ day of _____, 2010, by and between ROCK HILL TELEPHONE COMPANY, D.B.A. COMPORIUM COMMUNICATIONS (“**Comporium**”) and the CITY OF ROCK HILL, SOUTH CAROLINA (the “**City**,” and together with Comporium, the “**Parties**”), and is intended to memorialize the understanding of the Parties for a mixed use development located on East Main Street and East Black Street in Rock Hill, SC (the “**Project**”). Except as otherwise provided below, the terms and conditions of this MOU are non-binding.

WHEREAS, the Parties agree that the Goals set forth below for the Project are in the best interest of each party.

WHEREAS, the Parties agree to negotiate in good faith in an effort to achieve the Goals and in carrying out their respective Responsibilities as set forth below;

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree to the following:

GOALS

- I. The Parties desire to create a mixed use development comprised of a park, residential condominiums and downtown retail shops, a civic / performing arts center, and a hotel in phases as shown on Exhibit A (Oct. 2009 sheet) attached hereto and incorporated herein by reference, which will result in an increase in local employment opportunities, enhance the City’s tax base, and increase recreational acreage and facilities available for City residents.
- II. The Parties desire to secure the financial assistance required for all Project improvements, including the on and off property public infrastructure e.g. roadway improvements, associated water, wastewater, electric and stormwater improvements and parks, recreation and tourism improvements associated with the Project.
- III. The Parties desire to create a Land Use Plan related to the Project which will: (i) provide for design and planning flexibility, (ii) minimize the cost of public services; (iii) be environmentally sensitive; (iv) provide for the efficient movement of people by means of automobiles, mass transit, and walking; (v) preserve and dedicate land for adequate public facilities and right of ways; and (vi) result in a high quality development.

RESPONSIBILITIES

Responsibilities of the City and Comporium

1. The City and Comporium agree to work together in any effort that is reasonably likely to result in the achievement of one or more of the stated Goals or any component thereof. This includes but is not limited to the specific items listed below.
2. The City and Comporium will consider the establishment or reestablishment of a district for the Project pursuant to the applicable law and consider the issuance of public finance bonds to assist with eligible public improvements which may be related to the Project.
3. The City will consider amending the Downtown Tax Increment Financing ("TIF") district to facilitate the development of this Project.
4. The City and Comporium will consider working with various third parties who can assist the City and Comporium in achieving one or more of the stated Goals or any component thereof.
5. The City and Comporium agree to work in good faith to relocate their respective above-ground infrastructure facilities to underground, subject to their existing or then current development policies.
6. The City agrees to take the steps as set forth on Exhibit B attached hereto and incorporated herein by reference.
7. Comporium agrees to take the steps as set forth on Exhibit C attached hereto and incorporated herein by reference.
8. Until this MOU expires or terminates or is superseded by a definitive agreement executed by the Parties, Comporium and City will collaborate with each other concerning the Project and hold monthly meetings related to this MOU. The final desired product is an agreed upon development plan and financial plan for each phase of the Project prior to commencement of construction for that particular phase.
9. Upon completion of the steps listed above, City and Comporium will negotiate a Development Agreement, which will, among other things, commit Comporium to undertake the mixed use development; provide a shared funding plan between the Parties for development of the fountain/park; commit the City to undertake certain public improvements, including the park, improvements to streets, parking sidewalks, and other improvements.

TERMS AND TERMINATION

- 10. Either party may terminate this MOU at any time by providing the other party with 10 days' prior written notice. This MOU shall remain in effect for a period of one year from the date it is signed. The MOU may be amended in writing at any time by mutual agreement of the Parties. Any confidential information exchanged during the effective period shall remain confidential after its termination or expiration.

- 11. Except for the commitments made by the Parties in Exhibits B and C, none of the terms and conditions contained in this MOU shall be legally binding upon either Party. The respective commitments made by the Parties in Exhibits B and C shall be binding and shall survive the expiration or termination of this MOU.

**ROCK HILL TELEPHONE COMPANY, D.B.A.
COMPORIUM COMMUNICATIONS**

By: _____
Name: _____
Title: _____

CITY OF ROCK HILL, SOUTH CAROLINA

By: _____
Name: _____
Title: _____

**DOWNTOWN REVITALIZATION PROJECT
OUTLINE OF UNDERSTANDING
OCTOBER, 2009
INDEX**

- A. Phase 1 – Arts Council lease and renovation of 249 E. Main Street Building**
- B. Phase 2 – Consolidation of downtown parking lots**
- C. Phase 3-A – The Park**
 - 1. Designs and drawings**
 - 2. Contributions**
 - 3. Construction, grounds maintenance**
 - 4. Naming rights**
 - 5. Timing**
- D. Phase 3-B – Downtown retail shops/residential condominiums**
 - 1. Property acquisition for**
 - 2. Site preparation**
 - 3. Plans and drawings**
 - 4. Reimbursement**
 - 5. Construction**
- E. Phase 4-A – Downtown Performing Arts Center**
 - 1. Property acquisition**
 - 2. Site preparation**
 - 3. Plans and drawings**
 - 4. Comporium’s contribution**
 - 5. Naming rights**
 - 6. Construction**
- F. Phase 4-B – Downtown Hotel**
 - 1. Plans and drawings**
 - 2. Site preparation**
 - 3. Reimbursement**
 - 4. Construction**

**SEE EXHIBIT A-1 FOR A PROPOSED DEPICTION OF THE
DOWNTOWN REVITALIZATION PROJECT**



DOWNTOWN EAST

- | | |
|---|---|
| 1. Comporium Headquarters | 6. Proposed Retail/Office Building |
| 2. Comporium Customer Service Center | 7. Proposed Park and Fountain |
| 3. First Presbyterian Church | 8. Proposed Civic Center |
| 4. Proposed Residences and Commercial Space | 9. Street, Sidewalk and Infrastructure Improvements |
| 5. Proposed Hotel | 10. The White Home |

EXHIBIT B

STEPS TO BE TAKEN BY THE CITY

1. Within 30 days of the execution of this MOU, the City agrees retain the services of a land designer to create a 30% design development pricing package for Phase 3-A as shown in Exhibit A (the Park.).
2. During the six-month period beginning 45 days after the execution of this MOU, the City will use reasonable efforts to work with representatives of First Presbyterian Church and First Citizens Bank & Trust Co. in an effort to reach a consensus among such parties to maximize the space and use of adjoining parking lots.

EXHIBIT C

STEPS TO BE TAKEN BY THE COMPORIUM

1. During the six-month period beginning 30 days after the execution of this MOU, Comporium agrees to negotiate in good faith to obtain a developer to assist it with Phase 3-B as shown on Exhibit A (the downtown retail shops / residential condominiums).
2. Comporium will, at its cost, arrange for the demolition of the existing structures located at 327/331 East Main Street and 339 East Main Street as a first step in preparing these sites for redevelopment consistent with the master plan described in Exhibit A, such demolition to occur no later than June 30, 2011.